

August 28, 2023

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Dear Sir/ Madam,

Sub: Notice of 63rd Annual General Meeting and Annual Report for Financial Year 2022-23

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Notice of 63rd Annual General Meeting (AGM), which is to be held on Friday, September 22, 2023 at 11:30 a.m. (IST) through Video Conferencing / Other Audio Visual Means ("VC/ OAVM") facility and Annual Report for Financial Year 2022-23.

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the aforesaid documents are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depository Participant(s).

The Notice of 63rd AGM along with the Annual Report for the financial year 2022-23 is also available on the website of the Company at <http://www.dai-ichiindia.com/investors>

This is for your information and records.

Thanking you,

For **Dai-ichi Karkaria Limited**

Ankit Shah
Company Secretary and Compliance Officer

Encl: As above



DAI-KI

Specialty Chemicals

63rd ANNUAL REPORT

2022-2023

DAI-ICHI KARKARIA LIMITED

(CIN: L24100MH1960PLC011681)

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63rd Annual General Meeting

Date & Time:

Friday September 22, 2023 at 11:30 a.m. (IST) through Video Conferencing/ Other Audio Visual Means ("VC/OAVM")

BOARD OF DIRECTORS:

Mrs. Shernaz Vakil	Chairperson & Whole-time Director
Ms. Meher Vakil	Managing Director
Mr. Adi Jehangir	Non-Executive Director
Mr. Ashok Hiremath	Independent Director
Mr. Kavas Patel	Independent Director
Mr. Keki Elavia	Independent Director
Mr. Cyrus Bagwadia (w.e.f. 11.8.2023)	Independent Director
Mr. Behram Sorabji (w.e.f. 11.8.2023)	Independent Director

Chief Financial Officer:

Mr. Farokh Gandhi

Company Secretary & Compliance Officer:

Mr. Ankit Shah

Bankers:

Axis Bank Ltd.

Statutory Auditors:

B S R & Co. LLP, Mumbai

Solicitors:

Bharucha & Partners

Registered Office:

Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.
Tel: 022-69117130
E-mail: investor@dai-ichiindia.com
Website: www.dai-ichiindia.com

Works:

1. D-2/20, GIDC - II, Dahej, Vagra,
District Bharuch, Gujarat - 392 130.
2. Kurkumbh Industrial Area, Plot No. D-13,
Village Kurkumbh, Tal. Daund, Dist. Pune 413 105.

Registrars and Transfer Agents:

Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083.
Tel: 022 - 49186000
Fax: 022 - 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in
Website: <https://www.linkintime.co.in/>

NOTICE

NOTICE is hereby given that Sixty-Third Annual General Meeting of DAI-ICHI KARKARIA LIMITED (L24100MH1960PLC011681) will be held on Friday, September 22, 2023 at 11:30 a.m. (IST) through Video Conferencing / Other Audio Visual Means (“VC/OAVM”) facility, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Reports of Board of Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Report of the Auditors thereon.

2. To declare a dividend on equity shares for the financial year ended March 31, 2023.

3. To appoint a Director in place of Mrs. Shernaz Vakil (DIN:00002519), who retires by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. To ratify remuneration payable to M/s. Diwanji & Associates, Cost Accountants, (Firm Registration no. 100227) appointed as Cost Auditor of the Company for the financial year ending March 31, 2024 and in this regard to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration payable to M/s. Diwanji & Associates, Cost Accountants, (Firm's Registration No. 100227), appointed by the Board of Directors based on recommendation of Audit Committee, to conduct the audit of the cost records of the Company amounting to ₹ 1,50,000 (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of actual out of pocket expenses incurred in connection with the Cost Audit of the Company for the financial year ending March 31, 2024, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are 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 approve Material Related Party Transactions for Sale of Goods to ChampionX Dai-ichi India Private Limited and in this regard to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015 (“Listing Regulations”), as amended till date, provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including statutory modification(s) or re-enactments thereof for the time being in force) and the Company’s policy on Related Party Transactions, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee of the Board), to enter into transactions for Sale of Goods to ChampionX Dai-ichi India Private Limited (“CXDI”) a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations on such terms and conditions as the Board may deem fit up to a maximum aggregate value of ₹ 50 Crores (Rupees Fifty Crores only) from the conclusion of this 63rd Annual General Meeting upto the date of the next 64th Annual General Meeting for a period not exceeding fifteen months, at arm’s length basis and in the ordinary course of business.

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

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects.”



6. To appoint Mr. Cyrus Bagwadia (DIN: 01565989) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16(1)(b), 17, 17(1A), 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Cyrus Bagwadia (DIN: 01565989), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 11, 2023, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16 of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years commencing from August 11, 2023 till August 10, 2028, notwithstanding that he has attained the age of 75 years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate all or any of the powers to any committee of the Board or any other Officials of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To appoint Mr. Behram Sorabji (DIN: 02035239) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16(1)(b), 17, 17(1A), 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Behram Sorabji (DIN: 02035239), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 11, 2023, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16 of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years commencing from August 11, 2023 till August 10, 2028, notwithstanding that he has attained the age of 75 years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate all or any of the powers to any committee of the Board or any other Officials of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:

Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai – 400 020.

Place : Mumbai

Date : August 11, 2023

By Order of the Board
For **Dai-ichi Karkaria Limited**

Ankit Shah
Company Secretary

NOTES:

1. Pursuant to General Circular Nos.14/2020, 17/2020, 20/2020 and 11/2022 dated April 8, 2020, April 13, 2020, May 5, 2020 and December 28, 2022 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("The Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 63rd Annual General Meeting ("AGM") of the Company is being conducted on September 22, 2023 at 11:30 a.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) Facility, which does not require physical presence of members at a common venue. The deemed venue for the 63rd AGM shall be the Registered Office of the Company.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. In pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Corporate Members can attend the AGM through VC/OAVM and cast their votes through e-voting.
4. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed to this Notice.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-voting, participation in the 63rd AGM through VC/OAVM Facility and e-voting during the 63rd AGM.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the below Instructions. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. In line with the MCA Circulars, the Notice of the AGM along with the Annual Report for financial year 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant(s)/ Registrars and Transfer Agents (RTA). The Notice convening the 63rd AGM has been uploaded on the website of the Company at www.dai-ichiindia.com under 'Investors' section and may also be accessed on the website of BSE Limited at www.bseindia.com and on the website of CDSL at www.evotingindia.com.
9. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of business to be transacted with respect to the items of Special Business is annexed hereto.
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its Circular No. SEBI/ HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited for assistance in this regard.
11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, which is hosted on the website of the Company and on the website of Registrar and Transfer Agent.
12. Members whose shareholding is in physical mode are requested to immediately notify any change pertaining to their postal address, e-mail address, telephone/mobile numbers, Bank Mandate details, etc. to Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited at C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 or email at rnt.helpdesk@linkintime.co.in and members whose shareholding is in electronic mode are requested to direct change of the aforesaid details to their respective Depository Participants. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to the Depository Participants with whom they maintained their demat accounts. Members holding shares in physical form should submit their PAN to M/s. Link Intime India Private Limited.



13. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021 respectively.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members may register their nomination by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar at rnt.helpdesk@linkintime.co.in in case the shares are held in physical form, quoting their folio number.
15. (i) In pursuance of Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from September 16, 2023 to September 22, 2023 (both days inclusive) for the purpose of Annual General Meeting & Dividend. The dividend recommended by the Board of Directors, if approved at 63rd AGM, payment of such dividend will be made on or after September 27 2023, to those Members whose names are registered as such in the Register of Members of the Company/ Beneficiary list provided by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on September 15, 2023, subject to deduction of tax at source where applicable.
- (ii) Pursuant to Finance Act 2020, Dividend income will be taxable in the hands of Shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from Dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their Permanent Account Number (PAN) with the Company / Linkintime India Private Limited, Company's Registrar and Transfer Agent (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).
- A separate e-mail will be sent at the registered e-mail id of the Members describing about the detailed process to submit/upload the documents/declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/declarations by the Members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company www.dai-ichiindia.com.
- (iii) A Resident Individual Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by updating the details on the following link provided by the Company's RTA namely <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> latest by September 14, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
- (iv) Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending it on the link provided by the Company's RTA namely <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> latest by September 14, 2023.
16. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. Accordingly, the unpaid/unclaimed interim dividend for the financial year 2015-16, has been transferred by the Company to the IEPF. Accordingly, Members who have not encashed dividend for the financial year ended March 31, 2017 or any subsequent dividend declared thereafter by the Company, are advised to write to the Company / Registrar of the Company immediately.

Also, pursuant to the provisions of IEPF Rules, all the corresponding shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, in compliance with the aforesaid Rules, the Company has already transferred Equity Shares on which Interim Dividend remained unclaimed for 7 (seven) consecutive years starting from the financial year 2015-16 to the IEPF Suspense Account, after providing necessary intimations to the relevant shareholders.

17. Details of members whose shares are transferred to IEPF Suspense Account till date are uploaded on Company’s website at www.dai-ichiindia.com. The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the IEPF Rules.
18. Electronic copy of all the documents referred to in the accompanying Notice of the 63rd AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at www.dai-ichiindia.com.
19. In compliance with the provisions of Section 108 of the Companies Act, 2013, (the Act), Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members remote e-voting facility in respect of the business to be transacted at the 63rd AGM, facility for Members participating through VC/OAVM in the 63rd AGM and to cast vote through e-voting system during the 63rd AGM.

A. THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The remote e-voting period begins on Tuesday, September 19, 2023 at 9 a.m. (IST) and ends on Thursday, September 21, 2023 at 5 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 15, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, 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 in their demat accounts in order to access e-voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.



<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>A. NSDL IDeAS Facility If you are already registered for NSDL IDeAS facility:</p> <ol style="list-style-type: none"> 1) Please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. 2) A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. 3) Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. 4) Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <p>If the user is not registered for IDeAS e-Services, follow the below steps:</p> <ol style="list-style-type: none"> 1) Option to register is available at https://eservices.nsdl.com. 2) Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Please follow steps as given in Point 1-4 above. <p>B. E-voting website of NSDL</p> <ol style="list-style-type: none"> 1) Visit the e-Voting website of NSDL. 2) Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 3) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. 4) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 5) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or or contact at toll free no. 1800 22 55 33.</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022-4886 7000 and 022-2499 7000</p>

(iv) **Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (3).

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant Company **DAI-ICHI KARKARIA LIMITED** on which you choose to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolutions you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.



18) Facility for Non-Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer by email on its registered e-mail address scrutinizer@vkco@gmail.com and to the Company at the email address viz; investor@dai-ichiindia.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

B. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES/ COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. **For Physical shareholders** - Shareholders holding shares in physical mode and who have not registered/ updated their e-mail address are requested to register/ update the same by sending duly filled Form ISR-1 to Linkintime India Private Limited, Company's Registrar and Transfer Agent at rnt.helpdesk@linkintime.co.in along with copies of the requisite documents in support of address of the shareholder.

Shareholders may download the prescribed forms at the website of the Company under Investors Section at http://www.dai-ichiindia.com/wp-content/uploads/2023/02/Form_ISR-1.pdf or through RTA's website at https://web.linkintime.co.in/admin/DownloadFiles/Fillable_Link_ISR-1_%20Request%20form%20for%20Registering%20Pan,Bank,KYC.pdf

2. **For Demat shareholders** - Shareholders are requested to register/update their email id & mobile number with the respective Depository Participants (DP) and updation of email id & mobile number are mandatory for Individual Demat shareholders for e-voting & joining virtual meetings through Depository.

C. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The procedure and link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
2. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting i.e. on or before September 14, 2023** mentioning their name, demat account number/folio number, email id, mobile number at investor@dai-ichiindia.com. The Shareholders desiring any information are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid, as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

Those persons, who have acquired shares and have become Members of the Company after the dispatch of Notice of this AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on cut-off date i.e. September 15, 2023 can view the Notice of the 63rd AGM on the Company's website or on the website of CDSL. Such Members shall exercise their voting rights through remote e-voting by following the procedures as mentioned above or by voting at the AGM.

Ms. Vinita Nair (Membership No. F10559 and COP No. 11902), Senior Partner, or in her absence any other Partner of, M/s Vinod Kothari & Company, Practicing Company Secretaries, has been appointed as a Scrutinizer to scrutinize the remote e-voting process and process of e-voting during the 63rd AGM in a fair and transparent manner. Remote E-Voting is optional to the shareholders; the shareholders can alternatively undertake the process of e-voting during the 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 through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

A Member can opt for only one mode of voting i.e. either through remote e-voting or e-voting during the AGM. If a Member casts his / her vote by both modes, then voting done through remote e-voting shall prevail and the e-voting done during the AGM shall be treated as invalid.

The Voting Results along with the Consolidated Scrutinizer's report shall be placed on the Company's website www.dai-ichiindia.com and on the website of CDSL within two days from the conclusion of the AGM of the Company and be communicated to BSE Limited.

20. In terms of Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and pursuant to Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, details of Director seeking appointment/ re-appointment at the 63rd Annual General Meeting:

Name of the Director	Mrs. Shernaz Vakil (DIN: 00002519)	Mr. Cyrus Bagwadia (DIN: 01565989)	Mr. Behram Sorabji (DIN: 02035239)
Age	72 years	76 years	75 years
Brief resume, Qualification and Expertise	Mrs. Shernaz Vakil holds an M.A. degree in Industrial Psychology from Bombay University and M.B.A. degree from U.S.A. and has more than 40 years of experience in business.	Mr. Cyrus Bagwadia is a polymer engineer, a post-graduate in Business Management from University of Singapore. He has over 3 decades of experience in international business and has worked with multinationals like DuPont. In past he was CEO of Essel Propack Limited and Director of Bilcare Limited. His expertise is in Management for Growth.	Mr. Behram Sorabji is a B. Tech (Hons.) IIT Bombay, Silver Medalist from 1970 batch. He has worked with various MNCs in metal trade and has held commercial functions as Director, in international metal trade. He has worked in Ferro Alloy Industry and was carrying out manufacturing and marketing activities for 40 years. He has represented several International Companies in India. He was also responsible for India v/s. USSR nonferrous metal trade for many years.



Terms and conditions of appointment/reappointment	As per Postal ballot resolution no. 1 dated 25th March, 2022 and Postal Ballot resolution no. 1 dated 30th March, 2023 read with respective explanatory statement thereto.	As per the resolution at Item No. 6 of Notice of AGM dated August 11, 2023 read with explanatory statement thereto.	As per the resolution at Item No. 7 of Notice of AGM dated August 11, 2023 read with explanatory statement thereto.
Last drawn remuneration (F.Y. 2022-23)	₹ 2,56,43,700/- which includes salary, perquisites and performance linked incentive	Not Applicable	Not Applicable
Date of first appointment on the Board	26.2.1979	11.8.2023	11.8.2023
No. of share held	3624179 equity shares (48.64%)	Nil	Nil
Relationship with Directors inter-se	Mrs. Shernaz Vakil is the mother of Ms. Meher Vakil, Managing Director of the Company.	Not related to any Director/ Key Managerial Personnel	Not related to any Director/Key Managerial Personnel
Number of Board Meeting attended during FY 2022-23	4 (four) Board meetings were held and attended during F.Y. 2022-23	Not Applicable	Not Applicable
List of Directorships held in other companies/LLP	<ul style="list-style-type: none"> i. Dai-ichi Goseichemicals (India) Limited ii. Rose Investments Limited iii. ChampionX Dai-ichi India Private Limited iv. Indian Oxides and Chemicals Private Limited v. Natch Products and Services Private Limited vi. Performance Polymers and Chemicals Private Limited vii. SFV Properties Private Limited 	<ul style="list-style-type: none"> i. ChampionX Dai-ichi India Private Limited ii. 3D Technopark Private Limited 	<ul style="list-style-type: none"> i. Indian Oxides and Chemicals Private Limited
Chairman/ Member of the Committees of Boards of other companies	Rose Investments Limited; Chairperson - Stakeholders Relationship Committee ChampionX Dai-ichi India Private Limited; Chairperson - CSR Committee	ChampionX Dai-ichi India Private Limited; Member - CSR Committee	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING SPECIAL BUSINESS

Item no. 4

The Board, on recommendation of the Audit Committee, has approved the appointment of M/s. Diwanji & Associates, Cost Accountants, (Firm Registration no. 100227) to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2024, on a remuneration of ₹ 1,50,000/- (plus applicable taxes and reimbursement of actual out of pocket expenses).

In accordance with the provisions of Sections 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary resolution as set out at Item no. 4 for ratification of the remuneration payable to M/s. Diwanji & Associates, Cost Auditor for the financial year ending March 31, 2024.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, in the resolution set out at Item No. 4 of the Notice. The Board recommends the Ordinary Resolution set out at item no. 4 of the Notice for approval by the Members

Item No 5

Pursuant to the provisions of Regulation 23(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, (“SEBI Listing Regulations”) all material related party transactions and subsequent material modifications shall require prior approval of shareholders. Further, explanation provided to Regulation 23(1) of SEBI Listing Regulations, states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds ₹ 1000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. According to this definition the relevant turnover was ₹ 183.94 Crores for the financial year 2022-23 and 10% of which is equal to ₹ 18.39 Crores.

Dai-ichi Karkaria Limited has a Joint venture with CTI Chemicals Asia Pacific Pte. Ltd., in ChampionX Dai-ichi India Private Limited (CXDI) in the ratio of 50:50 and both the Joint Venture partners supply key raw materials to CXDI. The Company expects to enter into transactions for Sale of Goods to CXDI up to a maximum aggregate value of ₹ 50 Crores (Rupees Fifty Crores Only). The transactions proposed to be carried out will be on an arm’s length basis, in the ordinary course of business and in the best interest of the Company. Hence, it is proposed to secure Members approval for the following related party contracts/ arrangements to be entered by the Company.

Accordingly, on recommendation of Audit Committee, the Board of Directors at their meeting held on August 11, 2023 have approved the above mentioned related party transactions to be entered into with CXDI subject to the approval of Members. Members’ approval is sought by way of Ordinary Resolution under Regulation 23(4) of SEBI Listing Regulations, Section 188 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014, to enable the Company to enter into the transactions for Sale of Goods to CXDI in one or more tranches from the conclusion of forthcoming 63rd AGM upto the date of the next 64th AGM for a period not exceeding fifteen months. However transactions for Purchase of Goods from CXDI is within the aforesaid limits of 10%, accordingly transactions from Purchase of Goods from CXDI will not be considered material.

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, the particulars of the transactions proposed to be entered with CXDI are as follows:

Name of the Related Party	ChampionX Dai-ichi India Private Limited (CXDI)
Name of the Director/KMP who is related	Mrs. Shernaz Vakil, Mr. Kavas Patel and Mr. Cyrus Bagwadia are also the Directors of ChampionX Dai-ichi India Private Limited
Nature of Relationship	Associate/Joint Venture Company as per Section 2(76)(viii) of the Companies Act 2013
Estimated Amount	₹ 50 Crores (Rupees Fifty Crores Only)
Nature/Material terms/ Particulars of transactions	The transaction involves Sale of goods pursuant to Joint Venture Agreement entered with CXDI
Justification as to why the proposed transaction is in the interest of the Company	It involves Sale of goods to CXDI under Ordinary course of business and at arms’ length basis
Any other information relevant or important for Members to take a decision on the proposed resolution	All important information forms part of the statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013 which has been mentioned in the foregoing paragraphs

None of the other Directors and / or Key Managerial Personnel except Mrs. Shernaz Vakil, Mr. Kavas Patel and Mr. Cyrus Bagwadia and their relatives, to the extent of their Directorship in both the Companies are concerned or interested, financially or otherwise in the resolution as set out in Item no. 5. The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for approval by the Members.

Item No 6

The Board of Directors (“Board”) upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Cyrus Bagwadia, (DIN: 01565989) as an Additional Independent Director of the Company, with effect from August 11, 2023. Pursuant to the provisions of Section 161 and Section 149 of the Companies Act, 2013 (“the Act”), Regulation 16(1)(b) and 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulation”) and the Articles of Association, Mr. Cyrus Bagwadia is eligible to be appointed as Director of the Company. The Company has received a notice in writing under Section 160 of the Act from a Member of the Company proposing Mr. Cyrus Bagwadia, as a candidate for the office of a Director.



Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, provides that no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy-five) years unless it is approved by the members by passing a special resolution.

The matter regarding appointment of Mr. Bagwadia as Independent Director was placed before the Nomination and Remuneration Committee and Board held on August 11, 2023, which recommended and approved his appointment as an Independent Director of the Company, not liable to retire by rotation, for a period of five years commencing from August 11, 2023 till August 10, 2028.

In the opinion of the Board, Mr. Cyrus Bagwadia fulfils the conditions specified in the Act and the Rules made there under and SEBI Listing Regulations for appointment as Independent Director and he is independent of management. The Board has formed an opinion that Mr. Bagwadia possesses requisite skills, knowledge and experience and it would be in the interests of the Company to appoint Mr. Bagwadia, as an Independent Director of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, appointment of Mr. Bagwadia as an Independent Director is also being placed before the Members in this General Meeting for their approval as a special resolution, considering he has already attained the age of 75 years. The profile and specific areas of expertise of Mr. Bagwadia are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Cyrus Bagwadia, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice. The Board recommends the Special resolution set forth in Item No. 6 for the approval of the Members.

Item No 7

The Board of Directors ("Board") upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Behram Sorabji, (DIN: 02035239) as an Additional Independent Director of the Company, with effect from August 11, 2023. Pursuant to the provisions of Section 161 and Section 149 of the Companies Act, 2013 ("the Act"), Regulation 16(1)(b) and 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation") and the Articles of Association, Mr. Behram Sorabji is eligible to be appointed as Director of the Company. The Company has received a notice in writing under Section 160 of the Act from a Member of the Company proposing Mr. Behram Sorabji, as a candidate for the office of a Director.

Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, provides that no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy-five) years unless it is approved by the members by passing a special resolution.

The matter regarding appointment of Mr. Sorabji as Independent Director was placed before the Nomination and Remuneration Committee and Board held on August 11, 2023, which recommended and approved his appointment as an Independent Director of the Company, not liable to retire by rotation, for a period of five years commencing from August 11, 2023 till August 10, 2028.

In the opinion of the Board, Mr. Sorabji fulfils the conditions specified in the Act and the Rules made there under and SEBI Listing Regulations for appointment as Independent Director and he is independent of management. The Board has formed an opinion that Mr. Sorabji possesses requisite skills, knowledge and experience and it would be in the interests of the Company to appoint Mr. Sorabji, as an Independent Director of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, appointment of Mr. Sorabji as an Independent Director is also being placed before the Members in this General Meeting for their approval as a special resolution, considering he has already attained the age of 75 years. The profile and specific areas of expertise of Mr. Sorabji are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Behram Sorabji, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice. The Board recommends the Special resolution set forth in Item No. 7 for the approval of the Members.

Registered Office:

Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai – 400 020.

Place : Mumbai
Date : August 11, 2023

By Order of the Board
For **Dai-ichi Karkaria Limited**

Ankit Shah
Company Secretary

DIRECTORS' REPORT**Dear Members,**

Your Directors have pleasure in presenting the Sixty-third Annual Report together with the audited accounts for the year ended March 31, 2023.

FINANCIAL RESULTS (STANDALONE):**(₹ in lakhs)**

Particulars	As on 31st March, 2023	As on 31st March, 2022
Revenue from operations	18,394	12,184
Other Income	644	608
Total Income	19,038	12,792
Profit/ (Loss) before Exceptional item, Depreciation/ Amortization, Interest and Tax	2,233	(1,229)
Profit/ (Loss) after exceptional item after tax	1,847	(1,658)
Earnings per equity share: Basic and Diluted (₹ 10/- each)	24.79	(22.25)
Book Value of shares (₹)	198.53	173.73

DIVIDEND:

The Directors are pleased to recommend a dividend of ₹ 4 per equity share of ₹ 10/- each for the year ended March 31, 2023, subject to the approval of Members at the ensuing Annual General Meeting. The dividend payout will aggregate to ₹ 298.05 lakhs.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the Dividend after deduction of tax at source, as applicable.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Indian economy having recovered in the 2021-22, after the pandemic induced slowdown, continues to be resilient, in spite of the impact of the present geopolitical situation.

Though 2022 was a year of worldwide uncertainty with global events like the Ukraine war and significant cost inflation disrupting supply chains and lowering consumer demand, the Indian Economy has faced the challenges well. Although many companies faced contracting gross margins due to soaring raw material costs and increasing operating costs due to higher freight, the chemical industry is once again regaining lost ground.

In the short-term elevated prices of energy and other commodities, and other supply-side disruptions have posed challenges for growth prospects in some sectors.

INDUSTRY STRUCTURE AND DEVELOPMENT, OPPORTUNITIES AND THREATS, RISK AND CONCERNS:

The Indian chemical industry is predicted to become a US dollar 300 billion industry by 2025 and to potentially become a \$1 trillion industry in the next decade.

As the country embarks on massive Infrastructure and capacity additions there is a tremendous opportunity for growth in spite of the challenges and concerns.

Specialty chemicals constitute 22% of the total chemical and petrol chemical market in India. The industry grew from US dollars 18 billion in 2014 to US dollars 32 billion in 2019 and would be worth 64 billion by 2025.

However, India's share in the global specialty chemical market remains at around 4%.

The year 2022-23 would mark close to full recovery for the chemical industry with strong demand for most specialty chemicals and enhanced capital expenditure with growth in end markets.

India's specialty chemicals segment may have had a new opportunity in the wake of the pandemic. Consumers across the globe are diversifying away from China. While China itself had cracked down on many segments to cut pollution, resulting in many Indian companies picking up some market share as well as improving export prospects.

China has now made a very quick recovery and an aggressive comeback.

Customer expectations and behaviours have changed dramatically in the last 2/3 years and the chemical business will have to adapt to these changes.



COMPANY'S PERFORMANCE:

With our newly expanded plant in place, our new strategy, focuses on growing sustainable value by leveraging the company's existing strengths in leadership, technology, and market reputation.

We will focus on high value niches of the Oilfield sector, Agro and Crop care, Paints and Coatings, and Personal and Homecare.

We are confident that over the next couple of years, we should be able to unlock the true potential of the company by focusing on our core businesses that have lasting advantages, resulting in strong, profitable growth.

Dai-ichi Karkaria Limited continues with its leading positions or advantages, as a preferred supplier to several long time customers.

Though our focus will continue to be on the oilfield sector, we will also work towards leading positions in the Agro-industry, and the Paint industries.

In all three sectors, we have positioned ourselves with partners or strategic customers to gain leadership positions and enhance our product portfolio through customized development.

The Company continues to develop high performance products, providing customisable solutions to its customers' needs.

VERTICAL-WISE PERFORMANCE:

AGRO:

In the Agro vertical the sales achieved in the year were slightly higher, having grown by 6% over the sales of the previous year.

This year we started the export business for Agro emulsifiers by servicing a newly developed order for a speciality emulsifier with a leading manufacturer of Pesticides.

A new grade of dispersing agent was also introduced this year and bulk orders have been received from a key local customer.

The industry trend is to slowly move from EC formulations to SC formulations as far as possible, due to environmental concerns, as EC formulations need aromatic and aliphatic solvents, while water is the main diluent in SC formulations. Similarly, WP formulations may move towards WDG type since inhaling dust during manufacture and usage of WP formulations is a health hazard.

Approval for our newly developed import-substitute specialty surfactants for SC formulations have been obtained from key customers.

Agro will continue to remain one of the focus segments for the company.

HOME AND PERSONAL CARE:

Sales in this vertical have grown by 10% in value terms over the previous year. Sales of the emulsifier for Oleoresin exports were maintained, although this year due to a recessionary effect in the US and EU, the exports of Oleoresins faced a slowdown. The sales are now stabilizing, and we expect a steady growth in FY 2023-24.

ENERGY AND OIL SECTOR:

Though India continues to be the fastest-growing major economy, and a bright spot in the world stricken by war and the after-effects of the pandemic, its share in the global oil demand is only 5% and is expected to rise to 11% in the forthcoming future.

As the domestic exploration and production increases, the new opportunities to supply production chemicals also grows.

For most of 2022-23 the company has been functioning with a limited capacity for its Oilfield chemicals. The new plant was setup by Mid-December, and has been operative during the last quarter.

The sales to the Oilfield sector (including our sales to our JV CXDI) have registered a growth close to 110% in FY 2023 over the previous year.

New grades of PPDs were introduced during the year, both for upstream and downstream applications, and exports of these have started to our key customers. New grades of PPDs were also developed and supplied to our JV partner.

The Company generally has good order book of Oilfield products in last two quarters of the financial year.

PAINTS AND COATINGS:

In this segment the sales have registered a growth of 18% in FY 2023 over the previous year.

Sales to a leading emulsion making unit have grown by more than 50% in volumes.

Sales of an import-substitute EO-PO based fluid witnessed a growth in sales of more than 100% in both volume and value during the year over the previous year.

Pigment exports which had a slowdown during the first three quarters picked up in the fourth quarter and sales of the pigment dispersing agents through our distributors have now stabilised.

New customers have been added in this segment and sales have started, and should see a growth during the new financial year.

Overall we are cautiously optimistic about the year ahead, in spite of the worldwide slowdown in many areas.

KEY FINANCIAL RATIOS:

Details of significant changes in key financial ratios alongwith explanation thereof are provided in Note 45 of Notes to financial statements as per Schedule III.

DETAILS OF INTERNAL FINANCIAL CONTROLS:

The Board of Directors have laid down Internal Financial Controls (“IFC”) within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as Business evolves. The Company has a process in place to continuously identify such gaps and implement newer and or improved controls wherever the effect of such gaps would have a material effect on the Company’s operations.

MATERIAL DEVELOPMENTS ON HUMAN RESOURCES INCLUDING NUMBER OF PEOPLE EMPLOYED:

All manpower requirements are assessed and filled in a timely manner. The Company has a sound knowledge pool of experienced employees, which helps it to maintain consistency in performance across all disciplines. It has built a team of dedicated employees, who work with commitment and a sense of belonging towards the growth of the Company.

Following areas are given special attention to enhance performance of the employees.

- Identification of training & development needs and upgrade job specific skills.
- Compensation, recognition & rewards.
- Career growth plan through annual assessment.
- Supporting employment related legislative compliance.
- Promoting excellence in human resource management.
- The promotion of an atmosphere of mutual respect, fairness and concern.
- Company has extended its facility for Apprentice Scheme, to needy and economical weak youths for pursuing special industrial training.

EMPLOYEE ENGAGEMENT:

- Implemented Employee uniform with ID card for Identification for all employees.
- COVID-19 Insurance Policy was renewed.
- GMC Group Insurance Policy was introduced.

INDUSTRIAL RELATIONS:

The Industrial relations at Dahej and Kurkumbh Plants remained cordial and amicable during the financial year 2022-23.

NUMBER OF PEOPLE EMPLOYED:

As on March 31, 2023, the total numbers of employees on the payrolls of the company are 182.

CHANGES IN CAPITAL STRUCTURE:

During the financial year under review there was no change in the authorized and paid-up share capital of the Company.

JOINT VENTURE / ASSOCIATE/ SUBSIDIARY COMPANIES:

Dai-ichi Karkaria Limited has a Joint venture with CTI Chemicals Asia Pacific Pte. Ltd., in ChampionX Dai-ichi India Private Limited in the ratio of 50:50.

The Company has a Subsidiary, Dai-ichi Goseichemicals (India) Limited. The Annual accounts of the Subsidiary Company are placed on the website of the Company and will be provided to the members on request.

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and applicable Accounting Standards, the Consolidated Financial Statements of the Company with its Joint Venture Company, ChampionX Dai-ichi India Private Limited and Subsidiary Company, Dai-ichi Goseichemicals (India) Limited, duly audited by the Statutory Auditors are attached to the financials.

Statements containing salient features of the financial statement of subsidiary/ associate company/ joint venture are also attached to the financials.



DIRECTORS AND KMP:

The Members of the Company by special resolutions passed through postal ballot dated March 30, 2023 had approved the change in designation of Mrs. Shernaz Vakil from Chairperson and Managing Director to Chairperson and Whole-time Director of the Company effective April 1, 2023 upto her remaining tenure i.e. till March 31, 2025 and change in designation of Ms. Meher Vakil from Whole-time Director to Managing Director of the Company for a period from April 1, 2023 to March 31, 2026 and revision in terms of her remuneration.

Mrs. Shernaz Vakil retires by rotation, in pursuance of the provisions of the Companies Act, 2013 and Articles of Association of the Company and being eligible offered herself for re-appointment. The Board of Directors recommends her re-appointment. The information required to be furnished under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Secretarial Standards are provided in the Notice of the 63rd Annual General Meeting.

The Members of the Company had appointed Mr. Kavas Patel and Mr. Keki Elavia as Independent Directors to hold office upto the conclusion of this 63rd Annual General Meeting, not liable to retire by rotation and appointed Mr. Ashok Hiremath as Independent Director of the Company to hold office upto the conclusion of 65th Annual General Meeting, not liable to retire by rotation. All Independent Directors have given declarations that they continue to meet the criteria of independence as laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity for the purpose of Rule 8(5)(iiiia) of the Companies (Accounts) Rules, 2014. List of key skills, expertise and core competencies of the Board, including the Independent Directors, is provided as part of the Corporate Governance Report.

Pursuant to the provisions of Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Certificate from M/s. Vinod Kothari & Company, Practicing Company Secretaries certifying that none of the Directors of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or by the Ministry of Corporate Affairs (MCA) or by any such statutory authority. The said Certificate is annexed to the Corporate Governance Report of the Company for the Financial Year 2022-23.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are Mrs. Shernaz Vakil, Chairperson & Managing Director, Ms. Meher Vakil, Whole-time Director, Mr. Farokh Gandhi, Chief Financial Officer and Mr. Ankit Shah, Company Secretary.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- In the preparation of the annual accounts, for the financial year ended March 31, 2023, 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 March 31, 2023 and of the profit and loss of the company for that period;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a 'going concern' basis;
- Proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively;
- Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, individual directors and its committees. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairperson & Whole-time Director and Managing Director of the Company were evaluated, taking into account the views of executive directors and non-executive directors.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of the Annual Report.

NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD:

Details regarding Board / Committees, its composition, number of meetings held, terms of reference, policies adopted are provided under the Corporate Governance Report forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to Section 135 of the Companies Act, 2013. Details regarding CSR Committee, its composition, terms of reference, policy adopted are provided under the Corporate Governance Report forming part of the Annual Report.

In view of average net losses for the last three financial years as computed under Section 198 of the Companies Act, 2013, the Company was not mandated to undertake Corporate Social Responsibility activities during the financial year 2022-23 and the Company ceases to meet the criteria of Section 135(1) of the Companies Act, 2013 for the immediately preceding financial year, accordingly the provisions for calling CSR Committee meeting, spending and reporting on Corporate Social Responsibility activities are not applicable for FY 2022-23.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

The remuneration paid to Directors and Key Managerial Personnel of the Company during the Financial Year 2022-23 was in conformity with the Nomination and Remuneration Policy of the Company.

The disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Directors' Report for the year ended March 31, 2023 is annexed herewith as "Annexure – I" to this Report.

AUDITORS AND AUDIT REPORTS:

STATUTORY AUDITORS AND THEIR REPORT:

At the 62nd Annual General Meeting of the shareholders of the Company held on June 29, 2022, B S R & Co. LLP were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 62nd Annual General Meeting upto the conclusion of 67th Annual General Meeting of the Company. Details of the remuneration paid to B S R & Co. LLP, Chartered Accountants, Statutory Auditors, during financial year 2022-23 are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee or Board under Section 143(12) of the Act. The Auditors' Report on the Financial Statements, both Standalone and Consolidated for the financial year ended March 31, 2023 does not contain any qualifications, reservations or adverse remarks and forms part of Annual Report.

The Notes to the Financial Statements (Standalone and Consolidated) are self-explanatory and do not call for any further comments.

INTERNAL AUDITORS:

Due to change in re-organization structure of Mazars consulting activities in India, the Internal Audit assignment of the Company which was carried by "Mazars Business Advisors Private Limited" was serviced by the partnership firm "Mazars" for financial year 2022-23.

Mazars, are the Internal Auditors of the Company for the FY 2022-23. The Management regularly reviews the findings of the Internal Auditors and effective steps to implement any suggestions/observations of the Internal Auditors are taken and monitored regularly. In addition, the Audit Committee of the Board regularly addresses significant issues raised by the Internal Auditors.

SECRETARIAL AUDITORS AND THEIR REPORT:

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 had appointed M/s. Vinod Kothari & Company, a firm of Practising Company Secretaries to undertake the Secretarial Audit of the Company for the F.Y. 2022-23 and the Secretarial Audit Report is annexed herewith as 'Annexure II'. There is no reservation, qualification or adverse remark in their Report.

Further, in terms of the provisions of the Circular No. CIR/ CFD/CMD1/27/2019 dated February 8, 2019 issued by Securities and Exchange Board of India, the Company has obtained the Annual Secretarial Compliance Report from M/s. Vinod Kothari & Company, for the financial year ended March 31, 2023, confirming compliance of the applicable SEBI Regulations and circulars/guidelines issued thereunder, by the Company.



COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the cost records are required to be maintained by your Company and the same are required to be audited. The Company, accordingly, maintains the required cost accounts and records. The Company had appointed Mr. Sudhir Govind Jog, Cost Accountants, as the Cost Auditor for the financial year ended March 31, 2023, and the Cost Audit Report when submitted by them, will be duly filed with Ministry of Corporate Affairs.

As per Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audits) Rules, 2014, the Board of Directors on recommendation of the Audit Committee, at its meeting held on May 30, 2023, approved the appointment of M/s. Diwanji & Associates, Cost Accountants, Firm's Registration No. 100227 as the Cost Auditor to conduct audit of the cost records of the Company for the financial year ending March 31, 2024. The Company has received written consent and certificate of eligibility from M/s. Diwanji & Associates, Cost Accountants, in accordance with Section 148 read with Section 141 and other applicable provisions of the Act and Rules made thereunder.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, the matter relating to ratification of the remuneration payable to M/s. Diwanji & Associates as the Cost Auditor of the Company for the financial year ending March 31, 2024 is being placed at the 63rd AGM.

HEALTH, SAFETY AND ENVIRONMENT:

Health, Safety and Protection of the Environment are the priority areas for the Company. The Company continues to put special emphasis in this area at every stage, from conception and design of new products, optimization of process, to commercial manufacturing and delivery of goods to the customers. Recently company has successfully completed DNV-GL Periodic Recertification Audit of ISO 14001:2018 & OHSAS ISO 45001:2018.

a) Health:

A special committee ensures good sanitation and hygienic condition in the plant and canteen. Medical examination of all the employees is carried out annually. Six monthly medical examinations are conducted for the employees who are working in hazardous areas. Health awareness trainings and programs are being conducted regularly. Updating of our occupational health centre is being carried out.

b) Safety:

Internal and External Safety Audit, regular inspections pertaining to risks and hazards for Ethoxylation/ Propoxylation process are carried out as per the provisions of Factories Act. DCS system has been installed for Ethoxylation/ Propoxylation process to ensure enhanced safety features and automation to nullify human errors. HAZOP Study and Risk Assessment are carried out to identify the potential hazards as proactive measures to enhance safety. Appropriate corrective actions are implemented.

PPD Phase 2 project installation was completed in timely manner. Regular inspections risks and hazards for Esterification/ Polymerization process are carried out as per the provisions of Factories Act. Indicative PLC system has been installed for Esterification/ Polymerization process to ensure enhanced safety features to reduce human errors. HAZOP Study and Risk Assessment are carried out to identify the potential hazards as proactive measures to enhance safety. Appropriate corrective actions are implemented.

Un-planned Mock drills are conducted to ensure the Emergency preparedness as per the requirement of The Factories Act, 1948 & planned Mock drills are conducted to train the employees.

Every year Safety week is celebrated from 4th March to 10th March during which competitions, lectures and training sessions are organized to inculcate and enforce the need for a safe working environment and Emergency Planning.

Ensure safe & healthy work environment within worksite by safe work practice. Provide safe & healthy working environment to all for Prevention of injury & ill health.

Engage People on worksite in Environment, Health and Safety related matters through effective participation & consultation.

Elaborate firefighting system comprising of alarm systems, manual call points, sprinkler systems, pressurized fire hydrant system to handle emergencies.

c) Environment:

Regular environment monitoring is carried out to ensure pollution levels for air and water are below the specified limits by the State Pollution Control Board. Strict adherence to environment rules is ensured by conducting inspections and environment audit.

Separate environment cell equipped monitoring laboratory facility operate to carry environment monitoring function.

Complied with all legal & other compliance obligations concerning environment, health safety. Our commitment to manufacturing of products in a safe and environmentally conscious manner is paramount.

Effluent Treatment Plant is equipped with SUF (submersible ultra-filtration) technology and treated effluent is used in various processes, thus, increasing water conservation. Vacuum pumps have been operated in closed loop circulation to minimize the water consumption. This has resulted in reduction of 2100 KL/month.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo for F.Y. ended March 31, 2023, as required to be disclosed under the Act, is annexed as **'Annexure III'**

LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not provided any loan or given any guarantee / security to any person.

Details of investment made by the Company are provided in the financial statements, under Investment Schedule.

DEPOSITS:

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, during the financial year ended March 31, 2023.

RELATED PARTIES TRANSACTIONS:

All Related Party Transactions that were entered into during the financial year ended March 31, 2023, were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirement) Regulation 2015 ("Listing Regulations"). As per the Regulation 23(4) of the Listing Regulations, the Company sought approval of shareholders in the 62nd Annual General Meeting, by passing necessary resolution for material related party transaction to be entered from the conclusion of the 62nd Annual General Meeting (AGM) upto the date of the 63rd AGM.

The approval of members is being sought for Material Related Party Transactions for Sale of Goods to ChampionX Dai-ichi India Private Limited at the ensuing AGM.

All the Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Details of Related Party Transaction Policy are provided in Corporate Governance Report.

ANNUAL RETURN:

As required under Section 92(3) of the Companies Act, 2013, the Annual Return is hosted on the website of the Company at http://www.dai-ichiindia.com/wp-content/uploads/2023/02/Draft-Annual-Return_FY-2022-23.pdf

CORPORATE GOVERNANCE:

In accordance with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed report on Corporate Governance is included in the Annual Report. M/s. Vinod Kothari & Company, Practicing Company Secretaries, who are also the "Secretarial Auditors" of your Company, have certified that your Company is in compliance with the requirements of Corporate Governance in terms of Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

RISK MANAGEMENT POLICY:

The Company has in place a Risk Management Policy which identifies elements of risk and the measures to counter it. The policy is reviewed by the Board every year, at the first Board Meeting held after the commencement of the financial year.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Vigil Mechanism as envisaged in the Companies Act, 2013, the rules prescribed thereunder and the SEBI Listing Regulations is implemented through the Vigil Mechanism/ Whistle Blower Policy of the Company to enable the Directors and employees to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

Vigil Mechanism/ Whistle Blower Policy of the Company is available on the Company's website and can be accessed at website of Company at www.dai-ichiindia.com



DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year 2022-23, there were no complaints with allegations of any sexual harassment received or reported.

CREDIT RATING:

The Company's Banking loan facilities are rated by CRISIL Rating Limited (CRISIL). The ratings given by CRISIL for Short term borrowings and long-term borrowings of the Company are CRISIL A4+ and CRISIL BB/Stable respectively. There was no revision in the said ratings during the financial year under review.

UNPAID AND UNCLAIMED DIVIDEND AMOUNTS TO IEPF:

The unclaimed and unpaid interim dividend amount declared for the Financial Year 2015-16 was due to be transferred to the Investor Education and Protection Fund (IEPF) on March 16, 2023, in accordance with the provisions of Section 124 of the Companies Act, 2013 on completion of 7 (Seven) years from the date of its declaration. The Company accordingly transferred the unclaimed interim dividend for the Financial Year 2015-16 to IEPF.

TRANSFER OF EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) ACCOUNT:

The Company had sent reminders to those shareholders who have not claimed their dividend for consecutive period of 7 financial years, at their registered addresses and newspaper advertisement was published for claiming such unclaimed and unpaid dividends. The Company accordingly transferred such shares to Investor Education and Protection Fund (IEPF), who have not claimed the dividend for consecutive period of 7 years since Interim dividend declared for the financial year 2015-16. The details of which are also uploaded on the website of the company at www.dai-ichiindia.com.

The Company is in compliance with the aforesaid provisions and the IEPF Rules.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS:

During the financial year under review, there are no significant and material orders passed by the regulators or courts or tribunals which impact the Company's going concern status and its operations in the future.

PROCEEDINGS UNDER INSOLVENCY & BANKRUPTCY CODE:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year is not applicable.

ONE-TIME SETTLEMENT:

The requirement to disclose the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the financial year under review, the Company has complied with the applicable Secretarial Standards as amended and issued by Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs of India.

LISTING:

The Equity Shares of your company are presently listed on BSE Limited and the Company has paid the annual listing fees for the financial year 2023-24.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation of the contribution made by the employees of the Company. The Directors wish to convey their appreciation to the Banks, dealers and other business associates and the shareholders for their continuous trust and support.

CAUTIONARY NOTE:

Certain statements in the Directors' Report and Management & Discussion Analysis section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

For and on behalf of the Board

Place : Mumbai

Mrs. Shernaz Vakil

Ms. Meher Vakil

Date : May 30, 2023

Chairperson & Whole-time Director

Managing Director

ANNEXURE 'I' TO THE DIRECTORS' REPORT

I. Disclosure as per the provisions of Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23 and the Ratio of the Remuneration of each Director to the Median remuneration of the employees of the Company for the Financial Year 2022-23 are as under:

Sr. No	Name of Director / KMP and Designation	Remuneration of Director / Key Managerial Personnel (KMP) for the Financial Year 2022-23 (₹ in Lakh)	% Increase in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director/KMP to Median Remuneration of Employees
1	Mrs. Shernaz Vakil (Chairperson & Managing Director)*	256.44	13.60%	76.70:1
2	Ms. Meher Vakil (Whole-time Director)**	146.33	1.35%	43.77:1
3	Mr. Adi Jehangir @ (Non-Executive Director)	2	NA	0.60:1
4	Mr. Kavas Patel @ (Independent Director)	3.2	NA	0.96:1
5	Mr. Keki Elavia @ (Independent Director)	3.2	NA	0.96:1
6	Mr. Ashok Hiremath @ (Independent Director)	3.2	NA	0.96:1
7	Mr. Farokh Gandhi# (Chief Financial Officer)	62.16	NA	
8	Mr. Ankit Shah (Company Secretary)	20.07	15.80%	6:1

* Change in designation of Mrs. Shernaz Vakil from Chairperson and Managing Director to Chairperson and Whole-time Director of the Company effective April 1, 2023 upto her remaining tenure i.e. till March 31, 2025.

** Change in designation of Ms. Meher Vakil from Whole-time Director to Managing Director of the Company effective April 1, 2023, for a period from April 1, 2023 to March 31, 2026.

@ Only sitting fees paid to all Non-Executive Directors during the financial year.

The remuneration paid to Mr. Farokh Gandhi, in his capacity as Chief Financial Officer for the financial year 2021-22 was for part of the year, since his appointment was w.e.f. 1.11.2021. Accordingly, the percentage increase/decrease in his remuneration and median cannot be ascertained.

(ii) Percentage increase/(decrease) in the Median remuneration of employees during the Financial Year 2022-23	(15.41%)
(iii) Number of permanent employees on the rolls of Company as on March 31, 2023	182
(iv) 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 percentage decrease in the salaries of employees other than the managerial personnel in the last financial year March 31, 2023 was (20.04%) whereas an increase of 16.22% in the managerial remuneration which includes Managing Director and Whole-time Director. The remuneration of the managerial personnel is within the overall limits approved by the shareholders of the Company.
(v) Affirmation	It is hereby affirmed that the remuneration paid is as per Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



II. Statement of particulars of employees in terms of remuneration drawn pursuant to provisions of Section 197(12) of Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended till date

A. Employed throughout the financial year 2022-23 with an aggregate remuneration not less than ₹ 1,02,00,000/- per annum:

1.	Name of the employee	Mrs. Shernaz Vakil (DIN: 00002519)	Ms. Meher Vakil (DIN: 07778396)
2.	Age of the employee	72 years	37 years
3.	Designation of the employee	Chairperson & Managing Director (change in designation to Chairperson & Whole-time Director effective from April 1, 2023)	Whole-time Director (change in designation to Managing Director effective from April 1, 2023)
4.	Remuneration received p.a.	₹ 256.44 lakhs	₹ 146.33 lakhs
5.	Nature of employment	Full time Employment	Full time Employment
6.	Qualification and Expertise	Mrs. Shernaz Vakil holds an M.A. degree in Industrial Psychology from Bombay University and M.B.A. degree from U.S.A. and has more than 40 years of experience in business.	Ms. Meher Vakil has a Bachelor of Arts in Economics and Business Institutions from Northwestern University, Illinois, U.S.A. She has significant experience in Marketing and Business Development.
7.	Date of commencement of employment	26.02.1979	1.4.2019
8.	The percentage of equity shares held by the employee in the Company	36,24,179 equity shares (48.64%)	1,45,000 equity shares (1.95%)
9.	Whether such employee is a relative of any director or manager of the Company and if so, name of such director or manager	Mrs. Shernaz Vakil is the mother of Ms. Meher Vakil, Managing Director of the Company.	Ms. Meher Vakil is the daughter of Mrs. Shernaz Vakil Chairperson & Whole-time Director of the Company.

B. Employed for part of the financial year 2022-23 with an aggregate remuneration not less than ₹ 8,50,000/- per month: NONE

C. Employed throughout the financial year and in receipt of remuneration for Financial Year 2022-23 more than the remuneration drawn by managing director and whole time director and is holding by themselves or along with their spouse and dependent children, two percent or more of the equity shares of the Company: NONE

ANNEXURE 'II' TO THE DIRECTORS' REPORT
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Dai-ichi Karkaria Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dai-ichi Karkaria Limited** (hereinafter called "**the Company**") for the financial year ended March 31, 2023 [**"period under review"**]. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company as listed in **Annexure II** 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 period under review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 (**'the Act'**) and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder: **Not applicable during the period under review;**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**), to the extent applicable:
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**);
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018; and
 - e. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client.
6. Specific laws applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
 - a. Environment (Protection) Act, 1986 and Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
 - b. Environment (Protection) Act, 1986 and Bio-Medical Waste Management Rules, 2016;
 - c. Environment (Protection) Act, 1986 and Environment (Protection) Rules, 1986;
 - d. Environment (Protection) Act, 1986 and E-Waste (Management) Rules, 2016;
 - e. Environment (Protection) Act, 1986 and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
 - f. Environment (Protection) Act, 1986 & Environment (Protection) Rules, 1986;
 - g. Explosives Act, 1884 and Static and Mobile Pressure Vessels (Unfired) Rules, 2016;
 - h. Collection of Statistics Act, 2008 and Collection of Statistics (Central) Rules, 1959;
 - i. Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982;
 - j. Environment (Protection) Act, 1986 and Plastic Waste Management Rules 2016;



- k. Environment (Protection) Act, 1986 and Batteries (Management and Handling) Rules, 2001;
- l. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975;
- m. Environment (Protection) Act, 1986 and Solid Waste Management Rules, 2016;
- n. Explosives Act, 1884 and Gas Cylinders Rules, 2016;
- o. Environment (Protection) Act, 1986 and Noise Pollution (Regulation and Control) Rules, 2000;
- p. Food Safety & Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- q. Air (Prevention and Control of Pollution) Act, 1981 read with Notification No. B-29016/20/90/PCI-I, dated 18th November, 2009;
- r. Petroleum Act, 1934 and Petroleum Rules, 2002;
- s. Public Liability Insurance Act, 1991 and Public Liability Insurance Rules, 1991.

We have also examined compliance with the applicable clauses of the Secretarial Standard 1 and 2 issued by the Institute of Company Secretaries of India.

We report that 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. There were no changes in the composition of the Board of Directors during the period under review. There was a change in designation of Mrs. Shernaz Vakil (DIN: 00002519) from Chairperson & Managing Director to Chairperson & Whole-time Executive Director of the Company and change in designation of Ms. Meher Vakil (DIN: 07778396) from Whole-time Director to Managing Director of the Company, effective from April 1, 2023.

Adequate notice is given to all directors to hold the Board and Committee 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.

All the decisions were unanimous and there was no instance of dissent in the Board and/or Committee meetings.

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

We further report that during the period under review, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300**

**Vinita Nair
Senior Partner
Membership No.: F10559
CP No.: 11902
UDIN: F010559E000328151
Peer Review Certificate No.:781/2020**

**Place : Mumbai
Date : May 18, 2023**

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

Annexure I
ANNEXURE TO SECRETARIAL AUDIT REPORT (NON-QUALIFIED)

To,
The Members,
Dai-ichi Karkaria Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in **Annexure II**;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted physical as well as online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute.
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test-check basis.
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. The contents of this Report have to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
10. The Secretarial Audit report 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.



Annexure II

ANNEXURE TO SECRETARIAL AUDIT REPORT (NON-QUALIFIED)

List of Documents

1. Signed Minutes for the meetings of the following held during the period under review (except for the meetings held in Q4):
 - a. Board of Directors;
 - b. Audit Committee;
 - c. Nomination and Remuneration Committee;
 - d. Stakeholders' Relationship Committee;
 - e. Independent Directors' Meeting;
 - f. Annual General Meeting;
 - g. Resolutions passed by way of Postal ballot;
2. Agenda papers for Board and Committee Meeting along with notice on a sample basis;
3. Proof of circulation of draft minutes of the Board and Committee meetings on a sample basis;
4. Annual Report for financial year 2021-22;
5. Directors' disclosures under the Act and rules made thereunder;
6. Statutory Registers under the Act;
7. Forms filed with the ROC and intimations made to stock exchange;
8. Policies/ Codes framed and disclosures under SEBI regulations;
9. Structured Digital Database maintained by the Company and entries made therein, on a sample basis.

ANNEXURE 'III' TO THE DIRECTORS' REPORT

INFORMATION REQUIRED AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2023.

Form A & B Report:

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:
FORM 'A' FOR DISCLOSURE OF CONSERVATION OF ENERGY**

I. Conservation of Energy:

(a) ENERGY CONSERVATION MEASURES TAKEN:

- i. Chilling plants are operated in Night shift to avail concessional rate benefits.
- ii. ETP treated water recycled for cooling tower makeup and condensate drain of PPD 2 is recycled back to cooling tower resulting saving of GIDC fresh water for make up considerably.
- iii. Bio mass briquettes started using as fuel to mitigate risks of unavailability of quality coal and to improve the steam/fuel ratio by 10 to 12%.
- iv. Steam and water leaks are arrested on priority.
- v. Vacuum pump water cooling arrangement is done in the PPD plant and EO plant to recirculate the same water for use.
- vi. Cooling water Utility supply to EO plant vacuum pumps is given through main cooling tower hence use of separate cooling tower for same is avoided.

(b) ADDITIONAL INVESTMENT PROPOSAL IF ANY, BEING IMPLEMENTED FOR REDUCTION OF ENERGY:

- i. Steam boiler 4T/hour using 90 mm briquettes as fuel will be made operational for economical use.
- ii. Pure Steam condensate recovery system from EO plant and blow down flash steam, utilization for preheat the boiler feed water is proposed.
- iii. Additional VFD's planned in ETP area and Cooling towers of PPD plant.
- iv. Solar power plant of 350-400 KW in capex model.
- v. Implementation of IIOT module (Industrial internet of things).

(c) IMPACT OF THE MEASURES AT (a) & (b) ABOVE FOR REDUCTION OF ENERGY CONSERVATION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION OF GOODS.

The above measures will result in energy, manpower, water saving and consequent reduction in the cost of production.

(d) TOTAL ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM A:

		(₹ in lakhs)	
Sr. No	Description	2022-23	2021-22
A.	Power and fuel consumption		
1.	ELECTRICITY		
(a)	Purchased		
	Units (KWH)	38,89,536	35,13,397
	Purchased cost of units (₹)	313.06	252.45
	Rate per unit purchased	8.05	7.19
(b)	Own generation		
(i)	Through Diesel Generator		
	No of units Generated (KWH)	131319	88348
	Diesel Oil consumed (KL)	45.901	33.969
	Cost of Diesel Oil consumed (₹)	43.30	31.34
	Cost of Diesel/Unit generated (₹)	32.39	35.47
(ii)	Through Steam Turbine Generator	NIL	NIL
2.	COAL USED		
	No of Units consumed (MT)	Nil	2583.584
	Purchase cost (₹)	Nil	270.4173
	Rate per unit (₹/MT)	Nil	10.47
3.	FURNACE OIL		
	Furnace oil consumed (KL)	100.033	97.336
	Cost of Furnace oil consumed (₹)	54.06	44.30
	Average rate (₹/Lt.)	54.05	45.51



(₹ in lakhs)

4.	BIO-FUEL BRIQUETTES		
	Bio fuel briquettes consumed (MT)	2971.233	248.877
	Cost of B.F. briquettes consumed (₹)	423.68	35.11
	Average rate (₹/MT)	14.25	14.11
B	Consumption per unit of production in MT		
	Electricity-KWH/Ton	551.24	574.89
	Furnace Oil -(Lt./ Ton)	13.71	15.54
	Briquettes – (Ton / Ton)	0.420	0.04
	Coal - (Ton/Ton)	Nil	0.412

FORM 'B' FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION**II. RESEARCH & DEVELOPMENT:****1. Specific areas in which research & development activities were carried out by the Company:**

- i. Surfactants & Specialty Chemicals:** New products in Wetting and dispersing agent for Agro SC formulation, Textile chemicals, Pigment Dispersant, Personal care, Acrylic thickener for textile, Emulsifier for food industries are developed and some of which are already commercialized.
- ii. Oilfield Chemicals and other related products:** Certain downstream and upstream chemical products are developed as per the Customers' requirements. These products include:
 - A) Downstream-**
 - i) Green Retarders
 - ii) Lubricity Improvers for Diesel (Regular synthetic Ester based and Naphthalene depleted)
 - iii) Asphaltene Dispersants
 - iv) PPDs for Gas Condensates
 - v) Diesel PPDs
 - vi) Metal Passivators
 - B) Upstream -**
 - i) Winterized PPD
 - ii) Pour Point depressants suitable for a variety of crude oils
 - iii) PPDs suitable for Deepwater Injection through capillary
 - iv) Upgradation of existing PPDs synergistically using certain materials available in the market
 - v) Newer types of Emulsion Breakers
 - vi) Corrosion Inhibitor Intermediates
- iii.** Processes are standardized and production of certain products is scaled up. Some of the products are already commercialized.

2. Benefits derived from research and development projects:

Most new developments are customized to the performance needs of our customers, resulting in more focused business with partner customers, ensuring sustainability and giving the Company a competitive edge.

3. Future Plan of research & development activities:

R&D will continue to focus on the development of new products in the areas of specialty Performance products in various fields of focus, as has been done so far.

4. Expenditure on R&D during the year:

Capital – ₹ 26.52 lakhs

Recurring - ₹ 120.81 lakhs

Total R&D expenditure as a percentage of turnover: 0.80%

5. Technology absorption, adaptation and Innovation

- a. In the process of new products development and improving process and quality of existing products, the Company absorbs and adapts to new technologies on a continuous basis.
- b. During last 5 years no technology was imported.

III. Foreign Exchange Earning and Outgo:

Foreign Exchange received: ₹ 9420 Lakhs

Foreign Exchange paid for imports and other remittance: ₹ 2753 Lakhs

CORPORATE GOVERNANCE REPORT

The following Corporate Governance Report is attached as a part of the Directors' Report of the Company for the year 2022-23.

CORPORATE GOVERNANCE DISCLOSURE:

In accordance with the provisions of Regulation 34(3) of Chapter IV read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), the Board of Directors present the Company's report on Corporate Governance for the financial year ended March 31, 2023.

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Since its inception, the Company has been founded on moral and ethical codes that strongly emphasize total transparency and complete value based governance. The Company understands that Corporate Governance is a combination of voluntary practices and full compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholder value and enhances interest of stakeholders. The Company continues to place uncompromising emphasis on integrity and regulatory compliances. The Company is committed to provide high quality products and services to its customers and stakeholders.

2. BOARD OF DIRECTORS:

As on March 31, 2023, Board of Directors consisted of 6 (Six) Directors. The Board comprises of a Managing Director, a Whole-time Director and four Non-Executive Directors. Out of four Non-Executive Directors, three are Independent Directors. The Managing Director and the Whole-time Director are the Woman Directors. The Board's composition is in conformity with the applicable provisions of Companies Act, 2013 as well as Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Number of Board Meetings:

During the financial year under review, 4 (Four) Board Meetings were held on May 10, 2022, August 5, 2022, November 1, 2022 and February 10, 2023.

Composition, Attendance and Shareholding of Directors:

The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last 62nd Annual General Meeting (AGM) and their shareholding as at March 31, 2023 in the Company are given hereunder:

Name of Director	Board meetings Attended	Attendance at last AGM	No. of Directorships in other Boards#	No. of Chairmanship/ Membership in other Board Committees##	Name of the Listed Companies in which Directors of the Company are Directors & category of Directorship.
Promoter- Executive Directors					
Mrs. Shernaz Vakil* Chairperson & Managing Director (DIN: 00002519)	4	Yes	2	1/0	Chairperson & Managing Director: • Dai-ichi Karkaria Limited
Ms. Meher Vakil** Whole-time Director (DIN: 07778396)	4	Yes	1	Nil	Whole-time Director: • Dai-ichi Karkaria Limited
Promoter- Non-Executive Director					
Mr. Adi Jehangir (DIN: 00001752)	4	Yes	Nil	Nil	Non-Executive Director: • Dai-ichi Karkaria Limited
Independent Non – Executive Directors					
Mr. Ashok Hiremath (DIN: 00349345)	4	Yes	1	0/1	Independent Director: • Dai-ichi Karkaria Limited Non-Executive Director: • Astec LifeSciences Limited
Mr. Kavas Patel (DIN: 00002634)	4	Yes	2	3/0	Independent Director: • Dai-ichi Karkaria Limited • Tasty Bite Eatables Limited



Name of Director	Board meetings Attended	Attendance at last AGM	No. of Directorships in other Boards#	No. of Chairmanship/ Membership in other Board Committees##	Name of the Listed Companies in which Directors of the Company are Directors & category of Directorship.
Mr. Keki Elavia (DIN: 00003940)	4	Yes	6	4/3	Independent Director: <ul style="list-style-type: none"> • Britannia Industries Limited • Grindwell Norton Limited • The Bombay Dyeing and Manufacturing Company Limited • Sterling and Wilson Renewable Energy Limited • Dai-ichi Karkaria Limited

The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

Chairmanships/ Memberships of Audit Committees and Stakeholders Relationship Committees of all other Public Limited Companies have been considered.

* Change in designation of Mrs. Shernaz Vakil from Chairperson and Managing Director to Chairperson and Whole-time Director of the Company effective April 1, 2023 upto her remaining tenure i.e. till March 31, 2025.

** Change in designation of Ms. Meher Vakil from Whole-time Director to Managing Director of the Company effective April 1, 2023, for a period from April 1, 2023 to March 31, 2026.

Except Ms. Meher Vakil, Whole-time Director who is daughter of Mrs. Shernaz Vakil, Chairperson & Managing Director of the Company, none of the directors are relatives of any other director.

Mrs. Shernaz Vakil holds 3624179 (48.64%), Ms. Meher Vakil holds 145000 (1.95%) and Mr. Adi Jehangir holds 100 (0.001%) Equity Shares of the Company. No other Director holds any shares in the Company. The Company has not issued any convertible instruments.

The members of the Company by special resolutions passed through Postal Ballot dated March 30, 2023, approved the change in designation of Mrs. Shernaz Vakil from Chairperson and Managing Director to Chairperson and Whole-time Director of the Company effective April 1, 2023 upto her remaining tenure i.e. till March 31, 2025 and change in designation of Ms. Meher Vakil from Whole-time Director to Managing Director of the Company for a period from April 1, 2023 to March 31, 2026.

Familiarization Programme for Independent Directors:

Details of familiarization programmes imparted to the Independent Directors with the working of the Company during FY 2022-23, are available on the website of the Company and can be accessed through web link <http://www.dai-ichiindia.com/wp-content/uploads/2023/02/Familiarization-Programme-2022-23.pdf> .

Confirmation as regards independence of Independent Directors:

Based on the annual confirmations received from the Independent Directors and due assessment of the veracity undertaken by the Board, in terms of Regulation 25(9) of the Listing Regulations, the Board is of the opinion that the Independent Directors fulfil the criteria or conditions specified under the Companies Act, 2013 and under the Listing Regulations and are independent from the management.

Meeting of Independent Directors:

As mandated by the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, a separate meeting of Independent Directors was held on April 3, 2023 for annual evaluation of the following:

- Performance of non-independent directors and the Board of Directors as a whole;
- Performance of the Chairperson & Whole-time Director and Managing Director of the Company, taking into account the views of executive directors and non-executive directors;
- Quality, quantity and timeliness of flow of information between the company management and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

After summarizing the above evaluations, arrived to a finding that the Performance of Non-Independent & Non-Executive Director, Chairperson & Whole-time Director and Managing Director of the Company were satisfactory and the quality and quantum of Financial Information provided to the Board are accurate and adequate.

Board of Directors skills/expertise/competencies:

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

Skill Areas	Shernaz Vakil	Meher Vakil	Adi Jehangir	Ashok Hiremath	Kavas Patel	Keki Elavia
Leadership Experience	√	√	√	√	√	√
Risk Assessment	√	√	√	√	√	√
Strategy & Planning	√	√	√	√	√	√
Governance	√	√	√	√	√	√
Financial expertise	√	√	√	√	√	√

Board and Directors evaluation and criteria for evaluation:

During the year, the Board has carried out an annual evaluation of its own performance, performance of Individual Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the performance evaluation process for the Board, its Committees and Directors. The criteria for evaluation of Board, individual Directors and Committees include, inter alia, the following:

Board Evaluation	Evaluation of Independent Directors	Committee Evaluation
<ul style="list-style-type: none"> Board Structure – qualifications, experience and competencies Meetings – regularity, frequency, agenda, discussion and recording of minutes Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest Accounting systems - Integrity of accounting and financial reporting systems, independent audit, Internal Financial Controls. 	<ul style="list-style-type: none"> Professional qualifications and experience Knowledge, skills and competencies Fulfillment of functions, ability to function as a team Attendance Commitment, contribution, integrity and independence. In addition to the above, the Chairperson of the Board Meetings evaluated on key aspects of the role, including effectiveness of leadership and ability to steer meetings, impartiality and ability to keep shareholders’ interests in mind. 	<ul style="list-style-type: none"> Mandate and composition Effectiveness of the Committee Structure of the Committee Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes Independence of the Committee from the Board and contribution to decisions of the Board

3. BOARD COMMITTEES:

The Company follows procedures & practices in conformity with the Code of Corporate Governance. In keeping with the spirit of the Code, the Board had constituted the following committees:

(i) Audit Committee:

The terms of reference cover the matters specified for Audit Committee under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013. It broadly includes reviewing of (i) the financial results and statements and the Auditors Report before submission to the Board; (ii) evaluation of internal financial controls; (iii) management discussion and analysis report; (iv) related party transactions; (v) the internal audit reports; and (vi) the appointment, removal and terms of remuneration of the internal auditor/ statutory auditor and (vii) Other financial related matters.

The Audit Committee comprises of Mr. Kavas Patel as Chairman, Mr. Keki Elavia and Mr. Ashok Hiremath as members.

During the financial year under review, 4 (Four) Audit Committee Meetings were held on May 10, 2022, August 5, 2022, November 1, 2022 and February 10, 2023.



The attendance at the Audit Committee Meetings is as under:

Name of the Director	No. of meetings attended
Mr. Kavas Patel	4
Mr. Keki Elavia	4
Mr. Ashok Hiremath	4

The Statutory auditors, Internal auditors, Chairperson & Managing Director, Whole-time Director and Chief Financial Officer of the Company are invitees to Audit Committee Meetings. The Company Secretary acts as Secretary to the Committee.

(ii) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises of Mr. Adi Jehangir as Chairman, Mrs. Shernaz Vakil, Mr. Kavas Patel, Mr. Ashok Hiremath and Ms. Meher Vakil as members. Mr. Ankit Shah, Company Secretary & Compliance Officer acts as Secretary to the Committee.

The terms of reference cover the matters specified for Stakeholders Relationship Committee under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The terms of reference broadly include (i) to resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates (ii) to review the measures taken for effective exercise of voting rights by shareholders (iii) to review adherence to the service being rendered by the Registrar & Share Transfer Agent and (iv) to review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices to the shareholders.

The Committee had two meetings during the financial year under review on November 1, 2022 and March 23, 2023, details of attendance is as under:

Name of the Director	No. of meetings attended
Mr. Adi Jehangir	2
Mrs. Shernaz Vakil	2
Mr. Kavas Patel	1
Mr. Ashok Hiremath	1
Ms. Meher Vakil	2

There are no pending complaints/ grievances received during the F.Y. ended March 31, 2023.

(iii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of Mr. Kavas Patel as Chairman, Mr. Ashok Hiremath, Mr. Keki Elavia and Mrs. Shernaz Vakil as members.

The terms of reference cover the matters specified for Nomination and Remuneration Committee under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The terms broadly include recommending to the Board the setup and composition of the Board and its committees, the appointment / re-appointment of Directors and Key Managerial Personnel, setting the criteria for evaluation of the performance of the Board, its Committees and individual Directors, recommend to the Board all remuneration payable to Senior management, Directors and Key Managerial Personnel and the Remuneration Policy for Directors and Key Managerial Personnel.

During the financial year under review, meetings were held on May 10, 2022 and February 10, 2023. The attendance at the Nomination and Remuneration Committee is as under:

Name of the Director	No. of meetings attended
Mr. Kavas Patel	2
Mr. Ashok Hiremath	2
Mr. Keki Elavia	2
Mrs. Shernaz Vakil	2

The policy which was approved and adopted by the Board of Directors is uploaded on the Company's website at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/NRC-Policy-2.pdf>

(iv) Corporate Social Responsibility (CSR) Committee:

The Company had constituted the Corporate Social Responsibility Committee (CSR) as mandated by Section 135 of the Companies Act, 2013. The Committee comprises of Mr. Keki Elavia as Chairman, Mr. Adi Jehangir, Mrs. Shernaz Vakil and Mr. Kavas Patel as members.

The terms of reference cover the matters specified under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014 and other relevant provisions. Broadly the terms include formulating and recommending to the Board a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act, recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy and monitoring the CSR Policy.

In view of average net losses for the last three financial years as computed under Section 198 of the Companies Act, 2013, the Company was not mandated to undertake Corporate Social Responsibility activities during the financial year 2022-23 and the Company ceases to meet the criteria of Section 135(1) of the Companies Act, 2013 for the immediately preceding financial year, accordingly the provisions for calling CSR Committee meeting, spending and reporting on Corporate Social Responsibility activities are not applicable for FY 2022-23.

The policy which was approved and adopted by the Board of Directors has been uploaded on the Company's website at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/CSR-Policy.pdf>

4. REMUNERATION PAID TO DIRECTORS OF THE COMPANY:

a) Executive Directors:

The Company pays remuneration by way of salary, perquisites and performance linked incentive to Mrs. Shernaz Vakil, Chairperson & Managing Director (CMD) and Ms. Meher Vakil, Whole-time Director (WTD) of the Company. The amount of performance linked incentive is based on the performance criteria of CMD & WTD of the Company, during the financial year 2022-23 evaluated by the Nomination and Remuneration Committee and Board of Directors, keeping in view of Company's performance.

Following are the details of remuneration paid for the financial year ended March 31, 2023:

(Amount in ₹)

Particulars	Mrs. Shernaz Vakil*	Ms. Meher Vakil**
Salary	1,11,09,000	79,35,000
Perquisites	1,10,34,700	46,98,216
Performance Linked Incentive	35,00,000	20,00,000
Total	2,56,43,700	1,46,33,216
Service Contract / Notice Period	Term of 3 years w.e.f. 1 st April, 2022 to 31 st March, 2025/ 3 months' notice period, subject to changes approved by the shareholders of the Company.	

* Change in designation of Mrs. Shernaz Vakil from Chairperson and Managing Director to Chairperson and Whole-time Director effective April 1, 2023 upto her remaining tenure i.e. till March 31, 2025.

** Change in designation of Ms. Meher Vakil from Whole-time Director to Managing Director of the Company effective April 1, 2023, for a period from April 1, 2023 to March 31, 2026.

b) Non-Executive Directors:

The Company only pays sitting fees to the non-executive Directors and sitting fees paid to the Directors during the year under review are as under:

(Amount in ₹)

Name of Directors	Sitting Fees for Board meeting	Sitting Fees for other Committees
Mr. Adi Jehangir	2,00,000	-
Mr. Ashok Hiremath	2,00,000	1,20,000
Mr. Kavas Patel	2,00,000	1,20,000
Mr. Keki Elavia	2,00,000	1,20,000
Total	8,00,000	3,60,000

* No sitting fees are paid for the meetings of the Stakeholders Relationship Committee.



The criteria for making payments to Non-Executive Directors forms a part of Nomination and Remuneration Committee (NRC) Policy of the Company available on the website and can be accessed through web link <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/NRC-Policy-2.pdf>

5. a) GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial year	Date	Time (IST)	Location
2019 – 2020	30.7.2020	11.30 a.m.	Video Conferencing Deemed Venue: Registered Office
2020 – 2021	26.8.2021	11:30 a.m.	Video Conferencing Deemed Venue: Registered Office
2021 – 2022	29.6.2022	11:30 a.m.	Video Conferencing Deemed Venue: Registered Office

No Special Resolutions were passed at the last three Annual General Meetings.

b) POSTAL BALLOT: Pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the details of the resolutions passed during financial year 2022-23 by way of Postal Ballot are as follows:

A. The Company obtained approval of shareholders for following Special Resolutions;

1. Change in designation of Mrs. Shernaz Vakil (DIN: 00002519) from Chairperson and Managing Director to Chairperson and Whole-time Director of the Company, effective April 1, 2023 upto her remaining tenure i.e. till March 31, 2025.
2. Change in designation of Ms. Meher Vakil (DIN: 07778396) from Whole-time Director to Managing Director of the Company for a period from April 1, 2023 to March 31, 2026 and revision in terms of remuneration.

Details of voting pattern of the above mentioned resolutions are as under:

Resolution No.	Total number of valid votes	Votes in favour of the resolution		Votes against the resolution	
		No. of votes	Percentage of votes	No. of votes	Percentage of votes
1	48,15,649	48,15,589	99.9988%	60	0.0012%
2	48,15,649	48,15,598	99.9989%	51	0.0011%

All the aforesaid resolutions were passed with requisite majority.

B. The Board of Directors had appointed Ms. Vinita Nair (Membership No. F10559 and COP No. 11902), Senior Partner, or in her absence, any other partner of M/s Vinod Kothari & Company, Practicing Company Secretaries as Scrutinizer for conducting the remote e-voting process in a fair and transparent manner. As per the MCA Circulars, physical copies of the Postal Ballot Notice, Postal Ballot form, and prepaid business reply envelopes were not sent to Members for the said Postal Ballot Meeting and a facility was extended for the Members to cast their vote only through remote e-voting. For those Members whose email IDs were not available, a Public Notice with regard to the Company's Postal Ballot Notice was published along with the public notice declaring the details of completion of dispatch of Postal Ballot Notice and other requirements as mandated under the Act and applicable Rules.

The scrutinizer submitted the report, after completion of the scrutiny, the results of voting by Postal Ballot were announced by the Company on March 30, 2023 and were sent to the Exchange and displayed on the Company's website. The date of passing of the aforesaid resolutions have been deemed to be on March 30, 2023, last date of remote e-voting period.

As on date, none of special resolution is proposed to be conducted through postal ballot.

6. RELATED PARTY TRANSACTIONS:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year, were under ordinary course of business and on an arm's length basis.

Details of Related Party Transactions are disclosed in the notes to the financial statements. The policy approved and adopted by the Board of Directors has been uploaded on the Company's website at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/RPT-Policy-2.pdf>

7. MEANS OF COMMUNICATION:

- a. Quarterly results are taken on record by the Board of Directors and submitted to the stock exchange in terms of the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the requirements of the Listing Regulations, the unaudited quarterly and half yearly results are announced within 45 days of the close of the quarter and the audited annual results are announced within 60 days from the close of the Financial Year or any such time prescribed as per Listing Regulations.
- b. Quarterly results have been published in Financial Express and Mumbai Lakshadeep, newspapers.
- c. Website of the company is www.dai-ichiindia.com.
- d. Exclusive email id for investor correspondence/grievance redressal is investor@dai-ichiindia.com.
- e. No presentations have been made to institutional investors or to analysts.
- f. The Management Discussion and Analysis Report forms part of Directors' Report.

8. GENERAL SHAREHOLDER INFORMATION:

A. Annual General Meeting:

Date, Time and Venue:	Friday, September 22, 2023 at 11:30 a.m. (IST) through VC/OAVM pursuant to the MCA Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, and December 28, 2022. Deemed Venue for Meeting: Registered office of the Company at Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai- 400020.
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B. Financial Calendar (tentative):

Financial Year:	April 1, 2023 to March 31, 2024
Board Meeting for consideration of unaudited quarterly results for three quarters of the financial year 2023-24 i.e. June, 2023; September, 2023 and December, 2023.	Within 45 days from the end of the quarter or within such other time as stipulated under the Listing Regulations.
Board meeting for consideration of Annual Audited results for the period ending March 31, 2024	Within 60 days from the end of the financial year or within such other time as stipulated under the Listing Regulations.

C. Date of Book Closure

September 16, 2023 to September 22, 2023 (both days inclusive)

D. Dividend Payment Date:

on or after September 27, 2023

E. Listing on Stock Exchanges

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Payment of Annual Listing Fee:

The Company had paid the annual listing fees for the financial year 2023-24

F. Stock Code -

526821

Demat ISIN Number for NSDL & CDSL

INE928C01010

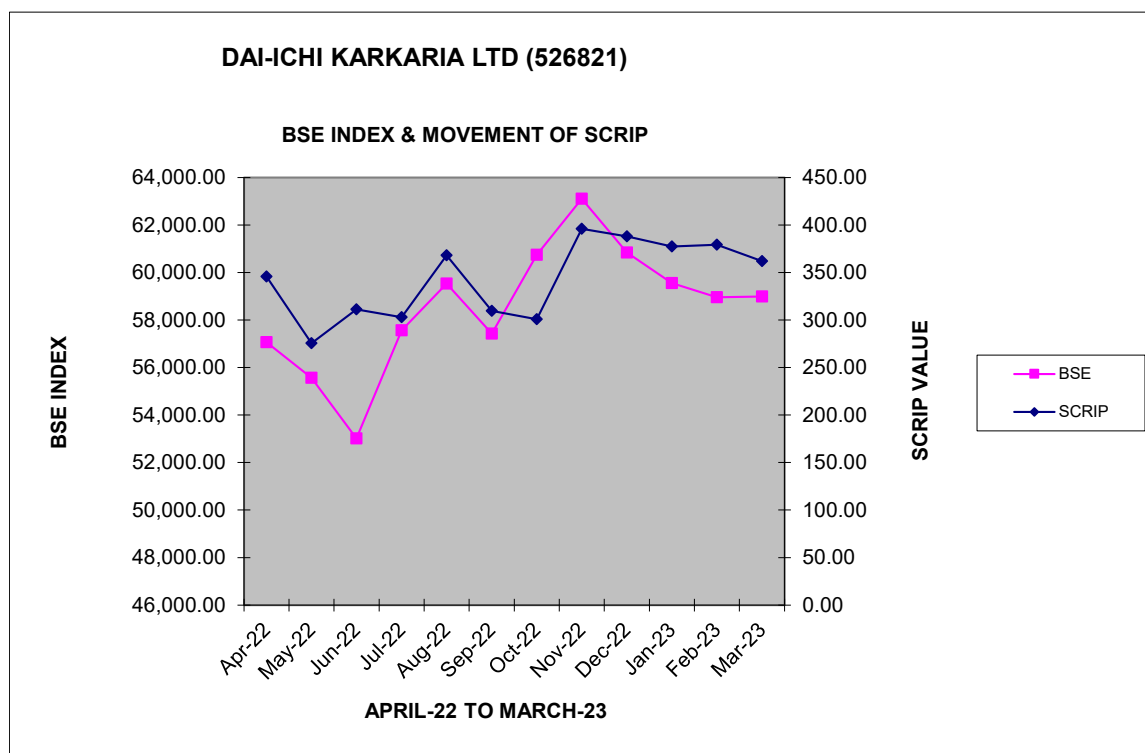
G Market Price Data:

High/Low Share price of the Company during the last financial year 2022-23 on BSE Limited. (Face value ₹ 10/-)

Month	High (₹)	Low (₹)
April 2022	389	341
May 2022	359.4	255
June 2022	327.95	265.05
July 2022	327.4	290
August 2022	387.65	282.1
September 2022	375	298
October 2022	320	285
November 2022	428	302
December 2022	407	346.6
January 2023	435	370
February 2023	448	348
March 2023	396	344



H. Stock performance:



I. Registrar and Share Transfer Agents:

Registrar & Transfer Agents: Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083.

Telephone No. 022-49186000/022-49186060

E-mail address: mt.helpdesk@linkintime.co.in

J. Share Transfer System:

Share Transfer System and updation of records: The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 03, 2021. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/ Exchange of securities certificate, Endorsement with Sub-division/ Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the website of Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited under the link at : [//efaidnbmnnnibpcjpcgclefindmkaj/https://web.linkintime.co.in/admin/DownloadFiles/Form_ISR-4.pdf](https://web.linkintime.co.in/admin/DownloadFiles/Form_ISR-4.pdf) Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by the SEBI.

K. Distribution of shareholding as on March 31, 2023:

No. of shares slab	Number of shareholders	(%) of shareholders	Number of shares	(%) of shares
upto to 100	3146	58.38	1,62,179	2.18
101 to 200	762	14.14	1,33,630	1.79
201 to 500	765	14.20	2,75,328	3.70
501 to 1000	341	6.33	2,63,787	3.54
1001 to 5000	310	5.75	6,69,299	8.98
5001 to 10000	35	0.65	2,67,416	3.59
10001 to 100000	22	0.41	5,49,996	7.38
100001 to above	8	0.14	51,29,594	68.84
TOTAL	5,389	100	74,51,229	100

L. Shareholding pattern as on March 31, 2023:

Categories of Shareholders		No. of shares held	% of Capital
A	Promoters Holding		
	Indian Promoters	47,59,822	63.88
	Foreign Promoters	Nil	Nil
	Persons acting in concert	Nil	Nil
	Sub Total	47,59,822	63.88
B	Non-Promoters Holding		
	Institutional Investors:		
(i)	Mutual Funds and UTI	-	-
(ii)	Alternate Investment Funds	26,105	0.35
(iii)	Banks, Financial Institutions, Insurance Companies	-	-
(iv)	FIs	-	-
	Sub Total	26,105	0.35
	Others:		
(i)	Private Corporate Bodies	2,76,255	3.71
(ii)	Indian Public(including HUF)	21,81,284	29.27
(iii)	NRIs	1,13,459	1.52
(iv)	Any other (Clearing Members, LLP, KMP & IEPF)	94,304	1.27
	Sub Total	26,65,302	35.77
	GRAND TOTAL	74,51,229	100.00

M. Dematerialization of shares:

The trading on Company shares are permitted only in dematerialized form. The Company has established connectivity with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number (“ISIN”) allotted to the Company’s shares under the Depository System is INE928C01010.

The percentage of shares held in physical and dematerialization form as on March 31, 2023 are as mentioned below;

Particulars	Number of shares	% of Capital
National Securities Depository Limited	61,71,930	82.83%
Central Depository Services (India) Limited	11,84,998	15.90%
Total Demat mode (A)	73,56,928	98.73%
Physical mode (B)	94,301	1.27%
Total (A + B)	74,51,229	100%

N. Plant locations

- A. D – 2/20, GIDC – II, Dahej, Vagra, District Bharuch, Gujarat – 392130.
- B. Kurkumbh Industrial Area, Plot No.D-13 Village Kurkumbh, Tal Daund, Dist Pune-413105.



- O. Address for correspondence:** For information on share transactions in electronic form and physical form and general correspondence:

Link Intime India Pvt. Ltd. at
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083.
Tel: 022-49186000/022-49186060
Fax: 022 - 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

Compliance Officer of the Company is
Mr. Ankit Shah (Company Secretary)
3rd Floor, Liberty Building,
S. V. T. Marg, New Marine Lines,
Mumbai – 400 020.
Tel: 022-69117130
Email: investor@dai-ichiindia.com

- P:** The Company has not issued any debt instruments or invited any fixed deposits or floated any scheme or proposal for mobilization of funds. Accordingly, there are no credit ratings obtained by the Company on such instruments/ deposits/ schemes.
- Q:** The Company does not have any exposure to commodity price risk or hedging activities. The details of derivative instruments and unhedged foreign currency exposures are disclosed in the Notes of Annual Financial Statements.
- R:** The Company's Banking loan facilities are rated by CRISIL Rating Limited (CRISIL). The ratings given by CRISIL for short term borrowings and long-term borrowings of the Company are CRISIL A4+ and CRISIL BB/Stable respectively.

9. DISCLOSURES:

- There were no materially significant related party transactions that may have potential conflict with the interest of the Company. The policy for dealing with related party transaction is uploaded on the website of the Company at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/RPT-Policy-2.pdf>
- The policy for determining 'material' subsidiaries is uploaded on the website of the Company at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/Policy-for-Determination-of-Material-Events.pdf>
- During the past 3 (three) years there have been no instances of non-compliance, penalties, strictures imposed on the Company by stock exchange or Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to capital markets.
- The Company has a Vigil Mechanism / Whistle Blower Policy. No personnel have been denied access to the audit committee to lodge their grievances. The policy is uploaded on the website of the Company at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/Vigil-Mechanism-Policy-2.pdf>
- The Company has complied with all the mandatory corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations. The Company has complied with all the requirements of the corporate governance report as specified in sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations. The Company has not adopted the non-mandatory requirements of the Listing Regulations.
- The Company has in place a Risk Management Policy which identifies elements of risk and the measures to counter it. The policy is reviewed by the Board every year, at the first Board Meeting held after the commencement of the financial year.
- The Company has not raised/utilised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.
- The Company has received a certificate dated May 18, 2023 from M/s Vinod Kothari & Company, Practicing Company Secretaries 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 enclosed to this report.
- The Board has accepted all the recommendations of the Committees of the Board given from time to time during the financial year under review.

- The details of the total fees paid to B S R & Co. LLP, Chartered Accountant, Statutory Auditor of the Company during the financial year ended March 31, 2023 is given below;

Particulars	Amount (₹ in lakhs)
Statutory Audit fees	20
Other Services including quarterly limited review and certification	15
Reimbursement and Out of pocket expenses	1.43
Total	36.43

There were no fees paid to network firms of the Statutory Auditors. The Subsidiary Company has not paid any fees to B S R & Co. LLP, Statutory Auditor of the Company.

Dai-ichi Goesichemicals India Limited, a subsidiary of the Company, has made payment of ₹ 10,000/- towards Audit Fees to M/s Mahesh C. Mathur & Co, Chartered Accountants, the Statutory Auditors of the subsidiary during the Financial Year 2022-23.

The Company paid ₹ 4,00,000/- to B K Khare & Co., Chartered Accountant, towards tax audit of the Company for FY 2021-22, during the financial year ended March 31, 2023.

- Disclosure in relation to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, for the financial year ended March 31, 2023;

No of complaints filed	NIL
No of complaints disposed off	NIL
No of complaints pending	NIL

- The Company and its subsidiary has not taken or given any loans and advances to firms/Companies/ Body Corporates in which directors are interested or deemed to be interested.
- The Company has no material subsidiaries for the financial year ended March 31, 2023.
- There are no shares that were required to be transferred to the demat suspense account or unclaimed suspense account during the financial year ended March 31, 2023.
- The Company has complied with all the requirements of the corporate governance report as specified in sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.
- All mandatory requirements are complied with.

10. CODE OF CONDUCT:

During the financial year under review, the Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel. The Code has also been posted on the Company's website at the following link: <http://www.dai-ichiindia.com/wp-content/uploads/2014/08/Code-of-conduct.pdf>

The said Code has been communicated to the Directors and Senior Management Personnel and they have also affirmed the compliance thereto for the FY 2022-23.

Sd/-
Meher Vakil
Managing Director

11. CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a certificate from Practicing Company Secretary confirming compliances with conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
[Pursuant to Regulation 34(3) and Para C (10)(i) of Schedule V to the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members

DAI-ICHI KARKARIA LIMITED

Liberty Building, Sir Vithaldas Thackersey Marg,
Mumbai - 400020.

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Dai-ichi Karkaria Limited having CIN L24100MH1960PLC011681 and having registered office at Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai- 400020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs.

Sr. No.	Name of the Director as on March 31, 2023	DIN	Category of Directorship as on March 31, 2023*	Date of appointment
1	Mrs. Shernaz Firoze Vakil	00002519	Managing Director, Chairperson	February 26, 1979
2	Ms. Meher Firoze Vakil	07778396	Whole-time Director	April 1, 2019
3	Mr. Adi Hirji Jehangir	00001752	Non-Executive-Non-Independent Director	February 19, 1986
4	Mr. Ashok Vishwanath Hiremath	00349345	Non-Executive-Independent Director	September 9, 2020
5	Mr. Kavas Dara Patel	00002634	Non-Executive-Independent Director	April 26, 2001
6	Mr. Keki Manchershva Elavia	00003940	Non-Executive-Independent Director	February 22, 2011

* There was a change in designation of Mrs. Shernaz Vakil (DIN: 00002519) from Chairperson & Managing Director to Chairperson & Whole-time Executive Director of the Company and change in designation of Ms. Meher Vakil (DIN: 07778396) from Whole-time Director to Managing Director of the Company, effective from April 1, 2023.

Ensuring the eligibility 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. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Place : Mumbai
Date : May 18, 2023

Vinita Nair
Senior Partner
Membership No.: F10559
CP No.: 11902
UDIN: F010559E000328360
Peer Review Certificate No.: 781/2020

CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members,
Dai-ichi Karkaria Limited
Mumbai**

We have examined the compliance of Corporate Governance by **Dai-ichi Karkaria Limited** (“the Company”) for the financial year ending on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations, 2015”).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs.

**For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300**

**Vinita Nair
Senior Partner
Membership No.: F10559
CP No.: 11902**

**UDIN: F010559E000328338
Peer Review Certificate No.: 781/2020**

**Place : Mumbai
Date : May 18, 2023**



Independent Auditors' Report

To the Members of Dai-Ichi Karkaria Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Dai-Ichi Karkaria Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's 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 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 opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Revenue Recognition	
See Note 3 (H) and Note 26 to standalone financial statements	
The key audit matter	How the matter was addressed in our audit
Revenue is recognized when the control of the products being sold has been transferred to the customer. Due to the Company's sales being under various contractual terms across the country and globally, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider a risk of misstatement in the Standalone Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off). There is also a risk of revenue being fraudulently overstated due to pressure on the Company to achieve performance targets throughout the period and towards the period end. Accordingly, fraud and cut-off risks in revenue recognition is considered as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient audit evidence : <ul style="list-style-type: none"> – Focusing on the Company's revenue recognition for compliance with Ind AS; – Testing the design, implementation and operating effectiveness of the Company's controls on recording revenue. We focused on controls around existence of revenue; – Performing testing on selected statistical samples of revenue transactions recorded during the year. We verified terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. Our tests of detail focused on cut-off samples to verify only revenue pertaining to current year is recognised based on terms set out in sales invoices and delivery documents; – Assessing high risk journals posted to revenue to identify any unusual items.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's reports thereon.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/loss and other 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 (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 50 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 50 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed, 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 (i) and (ii) above, contain any material misstatement.
 - e. As stated in Note 39 to the standalone financial statements, 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 dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
 - f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Farhad Bamji

Partner

Membership No.: 105234

ICAI UDIN:23105234BGXDYG8082

Place : Mumbai

Date : 30 May 2023



Annexure A to the Independent Auditors' report on the standalone financial statements of Dai-Ichi Karkaria Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) 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 made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State

Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax, Interest, and Penalty	29.81	FY 2005-06	High Court	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	1.84	FY 2006-07	DCIT	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	245.06	FY 2008-09	CIT(A)	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	239.43	FY 2008-09	CIT(A)	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	13.09	FY 2010-11	AO	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	25.32	FY 2011-12	DCIT	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	19.78	FY 2012-13	CIT(A)	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	5.85	FY 2016-17	CIT(A)	-
Income Tax Act, 1961	Income tax, Interest, and Penalty	72.52	FY 2017-18	CIT(A)	-
Service Tax under Finance Act	Service Tax	54.45	FY 2008-09 to FY 2011-12	High Court	-
The Central Sales Tax, 1956	Tax and Interest thereon	4.84	FY 2017-18	Joint Commissioner of State Tax	-
The Central Sales Tax, 1956 and The Maharashtra Value Added Tax Act, 2002	Tax and Interest thereon	9.73	FY 2014-15	Joint Commissioner of State Tax	-

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (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 and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.



- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year however cash losses of Rs 931 lakhs has been incurred in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Farhad Bamji

Partner

Membership No.: 105234

ICAI UDIN:23105234BGXDYG8082

Place : Mumbai

Date : 30 May 2023

Annexure B to the Independent Auditors' report on the standalone financial statements of Dai-Ichi Karkaria Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Dai-Ichi Karkaria Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 auditor's 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.



Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Farhad Bamji

Partner

Membership No.: 105234

ICAI UDIN:23105234BGXDYG8082

Place : Mumbai

Date : 30 May 2023

Standalone Balance Sheet as at 31 March 2023

(₹ in lakhs)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
A. ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	4	12,798	9,384
(b) Capital work-in-progress	4	35	205
(c) Intangible assets	4	* -	2
(d) Right to use assets	4	1,138	1,151
(e) Financial assets			
(i) Investments in Subsidiary & Joint Venture	5(a)	68	68
(ii) Other Investments	5(b)	1	1
(iii) Other non-current financial assets.....	6	409	253
(f) Deferred tax assets (net)	7	666	1,056
(g) Non current tax assets (net)	8	556	434
(h) Other non-current assets	9	27	33
Total non-current assets		15,698	12,587
CURRENT ASSETS			
(a) Inventories	10	1,917	2,281
(b) Financial Assets			
(i) Investments	11	15	16
(ii) Trade receivables	12	2,672	1,763
(iii) Cash and Cash Equivalents	13	572	183
(iv) Bank balances other than (iii) above	14	267	402
(v) Other financial assets	15	103	101
(c) Assets held for sale.....	4	-	54
(d) Other current assets	16	1,300	1,996
Total current assets		6,846	6,796
Total assets		22,544	19,383
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	17	745	745
(b) Other equity	18	14,048	12,200
Total equity		14,793	12,945
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19(a)	1,725	407
(ii) Other financial liabilities.....	19(b)	79	79
(b) Provisions	20	176	191
Total non-current liabilities		1,980	677
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	21	2,096	1,765
(ii) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	22	79	243
Total outstanding dues to other than Micro Enterprises and Small Enterprises	22	2,733	2,734
(iii) Other financial liabilities	23	545	270
(b) Other current liabilities.....	24	184	613
(c) Provisions.....	25	134	136
Total current liabilities		5,771	5,761
Total equity and liabilities		22,544	19,383

* Amount below Rupees One Lakh

Notes forming part of the Standalone financial statements

1-52

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and

Wholetime Director

(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer

Membership No. 47573

Meher Vakil

Managing Director

(DIN: 07778396)

Ankit Shah

Company Secretary

Membership No. A35008

Place : Mumbai

Date : 30 May 2023



Standalone Statement of Profit and Loss for the year ended 31 March 2023

Particulars	Note No.	Year ended 31 March, 2023	(₹ in lakhs) Year ended 31 March, 2022
Income			
Revenue from operations.....	26	18,394	12,184
Other income.....	27	644	608
Total income.....		19,038	12,792
Expenses			
Cost of materials consumed.....	28	11,572	8,565
Changes in inventories of finished goods, semi-finished goods and work-in-progress.....	29	277	355
Employee benefits expense.....	30	1,568	1,541
Finance costs.....	31	304	149
Depreciation and amortisation expense.....	32	745	680
Other expenses.....	33	3,388	3,560
Total expenses.....		17,854	14,850
Profit/(Loss) before exceptional items and tax		1,184	(2,058)
Exceptional items (Refer Note 49)			
Insurance claim received.....		285	400
Profit on sale of properties (Net)		742	-
Profit/(Loss) after exceptional items before tax		2,211	(1,658)
Tax expenses			
Current tax.....		-	-
Income tax adjustment of earlier years		(66)	-
Deferred tax (net).....		430	-
Total tax expenses		364	-
Profit/(Loss) after tax for the year		1,847	(1,658)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements of post-employment benefit obligation.....		1	(30)
Income tax related to items that will not be reclassified to profit or loss....		-	-
Other comprehensive income/(loss) for the year (net of income tax)		1	(30)
Total comprehensive income for the year.....		1,848	(1,688)
Earnings per equity share Basic and Diluted (of ₹ 10/- each)	38	24.79	(22.25)

Notes forming part of the Standalone financial statements 1-52

The accompanying notes are an integral part of these standalone financial statements

As per our report of even dated attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

For and on behalf of the Board of Directors

Dai-ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and
Wholetime Director
(DIN: 00002519)

Meher Vakil

Managing Director
(DIN: 07778396)

Farokh P Gandhi

Chief Financial Officer
Membership No. 47573

Ankit Shah

Company Secretary
Membership No. A35008

Place : Mumbai

Date : 30 May 2023

Place : Mumbai

Date : 30 May 2023

**Standalone Statement of Changes in Equity
for the Year ended 31 March 2023**

A - Equity share capital

(₹ in lakhs)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10/- each with voting rights	10,000,000	1,000	10,000,000	1,000
Balance at the beginning of the reporting year	7,451,229	745	7,451,229	745
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	7,451,229	745	7,451,229	745

B - Other Equity (Refer note 18)

(₹ in lakhs)

Particulars	Reserves and Surplus					Items of OCI	Total other equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurement of Defined benefit plans	
Balance as at 1 April 2021	77	2,594	16	519	10,964	(58)	14,112
Loss for the year ended	-	-	-	-	(1,658)	-	(1,658)
Other Comprehensive Income/(loss) for the year (net of tax)	-	-	-	-	-	(30)	(30)
Total Comprehensive Income/(loss) for the year	-	-	-	-	(1,658)	(30)	(1,688)
Transactions with owners of the Company							
Dividend on Equity Shares	-	-	-	-	(224)	-	(224)
Balance as at 31 March 2022	77	2,594	16	519	9,082	(88)	12,200
Profit for the year ended	-	-	-	-	1,847	-	1,847
Other Comprehensive income/(loss) for the year (net of tax)	-	-	-	-	-	1	1
Total Comprehensive income/(loss) for the year	-	-	-	-	1,847	1	1,848
Transactions with owners of the Company	-	-	-	-	-	-	-
Balance as at 31 March 2023	77	2,594	16	519	10,929	(87)	14,048

Notes forming part of the Standalone financial statements
As per our report of even date attached.

1-52

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and

Wholtime Director

(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer

Membership No. 47573

Meher Vakil

Managing Director

(DIN: 07778396)

Ankit Shah

Company Secretary

Membership No. A35008

Place : Mumbai

Date : 30 May 2023



Standalone Statement of Cash Flow for the year ended 31 March 2023

(₹ in lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
A) Cash Flow from Operating Activities:		
Profit/(Loss) after exceptional items before tax	2,211	(1,658)
<u>Adjustments for:</u>		
Depreciation and amortisation	745	680
Profit on sale of property, plant and equipments	(742)	(3)
Loss on sale of asset	20	-
Interim payment received from Insurance claim	-	400
Profit on sale of investments (net)	-	(2)
Net loss on investments at fair value through profit and loss	2	-
Dividend income	* -	(169)
Interest income	(25)	(29)
Interest expenses	303	149
Inventory assets written off during the year	104	35
Provision for non-moving inventories	1	12
Provision for doubtful trade receivables	(1)	6
Bad debts/ sundry balance written off	12	125
Liabilities no longer payable written back	(24)	(86)
Unrealised foreign currency loss/(gain) on revaluation (net)	(11)	(8)
Subtotal of Adjustments	384	1,110
Operating Profit/(Loss) before working capital changes	2,595	(548)
Changes in working capital:		
Adjustments for increase/decrease in:		
(Increase)/Decrease in trade receivables	(818)	440
Decrease in loans, other financial assets and other assets	496	479
Decrease in inventories	259	119
(Decrease) in trade payable, other financial liabilities and other liabilities	(99)	(825)
Increase/(Decrease) in provisions	(45)	12
Subtotal of Adjustments	(207)	225
Cash generated from operations	2,388	(323)
Add: Income tax paid	(69)	(19)
Net cash generated from/(used) in operating activities	2,319	(342)
B) Cash Flow from Investing Activities:		
Purchases of property, plant and equipment	(3,629)	(1,085)
Profit on sale of property, plant and equipments (net of advance received)	326	5
Advance against asset held for sale	-	480
Proceeds from sale of investments	-	403
Interim payment received from insurance claim	-	(400)
Investment in fixed deposit with bank	18	(26)
Dividend received	* -	169
Interest received	27	29
Net Cash (used in) investing activities	(3,258)	(425)

Standalone Statement of Cash Flow for the year ended 31 March, 2023 (Contd.)

(₹ in lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
C Cash Flow from Financing Activities:		
Repayment towards non-current borrowings (net)	-	(2)
Proceeds from non-current borrowings (net)	1,318	407
Repayment of current borrowings (net)	* -	(251)
Proceeds from current borrowings (net)	330	-
Dividend and corporate dividend tax paid	-	(224)
Interest paid	(303)	(149)
Net Cash generated from/(used in) financing activities	1,345	(219)
D Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	406	(986)
E Cash and cash equivalents as at beginning of the year	183	1,159
Net comprehensive expense	-	
Add: Effect of exchange differences on cash and cash equivalents held in foreign currency	(17)	10
F Cash and cash equivalents as at end of the year (D+E) (Refer Note 13)	572	183

* Amount below Rupees One Lakh

Reconciliation of liabilities from financing activities	Non-current borrowing (including current portion) (a)	Current borrowings (b)	Total liabilities from financing activities (a+b)
Opening Balance (as at 1 April 2022)	407	1,765	2,172
Add : Proceeds during the year	1,318	331	1,649
Less : Repayment during the year	-	-	-
Closing Balance (as at 31 March 2023)	1,725	2,096	3,821

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows"
- Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances) during the year.
- Cash and cash equivalents are cash and bank balance as per balance sheet (Refer note no 13).

Notes forming part of the Standalone financial statements

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and
Wholetime Director
(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer
Membership No. 47573

Meher Vakil

Managing Director
(DIN: 07778396)

Ankit Shah

Company Secretary
Membership No. A35008

Place : Mumbai

Date : 30 May 2023



Notes forming part of the Standalone financial statements for the year ended 31 March 2023

1. Company overview

Dai-ichi Karkaria Limited ('the Company') is domiciled in India with its registered office situated at 3rd Floor, Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai 400 020, India. The Company was incorporated on 13 May 1960 under the provisions of Indian Companies Act, 1956 and its equity shares is listed on Bombay Stock Exchange (BSE) in India. The Company is engaged in manufacturing of specialty chemicals.

The manufacturing activities of the Company are carried out from its plants located at Dahej (Gujarat) and Kurkumbh, District Pune (Maharashtra).

2. Basis of preparation

A. Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 ('the Act') and the other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 30 May 2023. Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise stated.

C. Basis of measurement

These standalone financial statements have been prepared on the historical cost basis, except for the following items:

Items	Measurement basis
i) Certain Financial assets and liabilities	Fair value
ii) Net defined benefit asset / (obligation)	Fair Value of plan assets less present value of defined benefit obligations

D. Current and non-current classification

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 of the Act. Based on the nature of its activities and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

E. Use of estimates and judgements

The preparation of these standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Key sources of estimation of uncertainty at the date of the standalone financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, recoverability of deferred tax assets, provision and contingent liabilities and fair value measurement of financial instruments have been discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in their respective policies.

Useful lives of property, plant and equipment

The Company estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)**Recoverability of deferred tax assets**

In determining the recoverability of deferred income tax assets, the Company primarily considers current and expected profitability of applicable operating business segments and their ability to utilize any recorded tax assets. The Company reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

Fair value Measurement of financial instrument

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained in detail under note 3 (A).

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the standalone financial statements. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

F. Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

The Company will evaluate these amendments to give effect as required by law.

3. Significant Accounting Policies**A. Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition.

The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in standalone statement of profit and loss.

The Company has made an election to present subsequent changes in the fair value of equity investments as other income in the standalone statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risk and rewards of ownership of the asset to another party. On derecognition of a financial asset, the difference between assets carrying amount and the sum of consideration received or receivable or the cumulative gain or loss that had been recognised in the standalone statement of profit and loss.

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the standalone statement of profit and loss.

B. Impairment

Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has computed the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the standalone statement of profit and loss.

C. Property, plant and equipment / Depreciation

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, and other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in standalone statement of profit or loss.

Capital work-in-progress:- Projects under which Property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Expenditure during construction period

Expenditure/Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as capital advances under “other non-current assets”.

(iv) Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method, except few assets transferred from Kasarwadi plant to Dahej plant which continue to be depreciated using diminishing value method. Freehold land is not depreciated.

Depreciation is charged on the cost of the property plant and equipment less estimated residual value over the useful lives as per Schedule II of the Companies Act, 2013, this useful life are shown below. Depreciation on additions (disposals) is provided on pro-rata basis i.e. from (upto) the date on which the asset is ready for use (disposed-off).

Asset	Management estimate of useful life (years)
Leasehold land	Amortised over the lease period
Leasehold improvements	Amortised over lower of the lease period or 7 years
Building	3-60
Road	3-10
Plant and machinery	10-20
Furniture and fixture	10
Vehicles	8
Office equipment	3-10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.



Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

D. Intangible assets

(i) Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in standalone statement of profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the straight-line method, and is included in depreciation and amortisation in standalone statement of profit and loss.

The estimated useful lives are as follows:

Software	6 years
----------	---------

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

E. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of raw materials are computed basis the moving average cost, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of finished products and work-in-progress, costs includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling price of related finished goods. Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

F. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company's contributions to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and is charged to the standalone statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employee.

iii. Defined benefit plan

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to standalone statement of profit and loss. Past service cost is recognised in the standalone statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

Gratuity

The Company's liability towards Gratuity, which is a defined benefit plan, is determined on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Remeasurement of the net defined benefit liability which comprise actuarial gains and losses are recognised immediately in Other Comprehensive Income in the period in which they occur.

iv. Other long- term employee benefits – Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation determined based on percentage unit credit method with independent actuarial valuation as at the balance sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date. Remeasurements gains or losses are recognised in standalone statement of profit or loss in the period in which they arise.

G. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision are recognised at the best estimates of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects, when appropriate, the risks specific to the liabilities.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

H. Revenue

i. Sale of goods

Revenue is measured at the fair value of consideration received or receivable net off trade discounts, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer. Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

ii. Rendering of services

Revenue for job work services is recognised as and when services are rendered, in accordance with the terms of the contract. The amount recognised as revenue is exclusive of goods and service tax (GST) and its net of returns and trade discounts.

iii. Rental income

Rental income is recognised as part of other income on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

iv. Export benefits

Export benefits available under prevalent schemes are accrued when no significant uncertainty exist regarding its ultimate collection.

v. Dividend

Dividend from investment is recognised as revenue when right to receive the payments is established.

vi. Interest income

Interest income is recognised using the effective interest rate method.



Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

I. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets or liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assets and liabilities will be realised simultaneously.

Minimum alternate tax Credit Entitlement

Minimum alternate tax (MAT) paid in a year is charged to the standalone statement of profit and loss as current tax. The Company recognises a deferred tax asset on the MAT credit available only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Company reviews the deferred tax asset created on MAT credit entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

J. Borrowing costs

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

K. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

L. Foreign currency transactions

In preparing the standalone financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the standalone statement of profit and loss in the period in which they arise.

M. Investment in subsidiary and joint venture

The Company's investment in its subsidiary and joint venture are carried at cost.

N. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

O. Cash flow statement

Cash flow statement Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Company cash management.

Notes forming part of the Standalone financial statements (for the year) ended 31 March 2023 (Contd.)

4 (a) Property, plant and equipment, capital work in progress and Intangible Assets (Continued) (₹ in lakhs)

Particulars	Gross block		Accumulated depreciation/amortisation			Net Block	
	As at 1 April 2021	Additions	Deductions	As at 31 March 2022	For the year	Deductions	As at 31 March 2022
A. Tangible Assets							
Buildings Residential	46	-	-	46	3	-	36
Buildings: Non Residential							
Own lease	3,396	229	-	3,625	155	-	546
Road	585	-	-	585	14	-	202
Plant & Machinery	7,281	512	-	7,793	465	* -	2,218
Furniture & Fixtures	186	-	-	186	14	-	69
Laboratory, Office and factory equipment and air conditioners	335	9	-	344	6	* -	148
Vehicles	117	5	2	120	6	1	95
Total Tangible Assets	11,946	755	2	12,699	663	1	3,314
B. Intangible Assets							
Computer Software	38	-	-	38	4	-	36
Total	11,984	755	2	12,737	667	1	3,350
C. Capital Work-in-Progress (Refer note 45 (C))							205
D. Right of use assets							
Leasehold land	1,233	-	-	1,233	13	-	82
							1,151
							10,742

*Amount below Rupees One Lakh

Notes

- Kindly refer note no 19 on Borrowings, for the details related to hypothecated property, plant and equipment of the Company
- The Company intends to dispose off its land parcel at Pune with Book Value of ₹ 54 lakhs (31 March 2021 ₹ 54 lakhs) as it no longer intends to utilise in the next 12 months. The same is classified as "Asset held for sale".

The Company expects the fair value less cost to sell to be higher than the carrying amount. No impairment loss was recognised on above reclassification.



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
5(a). Investments - Non-current		
In Equity Shares, Unquoted (at cost)		
In Subsidiary		
(i) Dai-Ichi Gosei Chemicals (India) Limited 48,500 shares (31 March 2022 : 48,500 shares).....	5	5
In Joint Venture		
(ii) ChampionX Dai-Ichi India Private Limited 1,125,000 shares (31 March 2022 : 1,125,000 shares).....	68	68
	73	73
Less : Provision for diminution in value of investment - Investment in Equity Shares of Dai-Ichi Gosei Chemicals (India) Limited	(5)	(5)
Total	68	68
5(b). Other Investments		
(a) Unquoted :		
The Zoroastrian Co-operative Bank Limited, unquoted (at fair value through profit and loss)		
4,000 shares (31 March 2022 : 4,000 shares)	1	1
	1	1
6. Financial Assets - Non-current		
(Unsecured and considered good)		
To parties other than related parties		
Security Deposits	251	253
Margin Money Deposits with maturity greater than 12 months.....	158	-
Total	409	253
7. Deferred tax assets (net)		
Deferred Tax Assets		
Insurance claim receivable.....	517	953
Retirement benefits.....	71	106
Loss allowance on trade receivables.....	11	13
Bonus.....	6	13
MAT Credit entitlement.....	-	42
Income tax loss.....	1,135	1,374
Others.....	6	14
Total deferred tax assets (a).....	1,746	2,515

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment and Intangible assets	1,078	1,015
Fair valuation of investments	2	2
Total deferred tax liabilities (b)	1,080	1,017
Net deferred tax assets (a-b)	666	1,498
Deferred tax assets recognised (net) (Refer note 46 and 47).....	666	1,056
Note:		
The company has not recognised any deferred tax asset (DTA) in the previous year in absence of convincing evidence of sufficient future taxable income against which such DTA can be realised.		
8. Non Current Tax Assets		
(Unsecured, considered good)		
Advance Tax (Net of provision ₹ 2,608 lakhs (31 March 2022 : ₹ 4302 lakhs).....	556	434
Total	556	434
9. Other non current assets		
(Unsecured, considered good)		
Balance with Government Authorities	4	4
Prepaid expenses	23	29
Total	27	33
10. Inventories		
(At lower of cost and net realisable value)		
Raw Materials (including goods-in-transit ₹ 58 Lakhs ;31 March 2022 ₹ 93 Lakhs)	1,037	1,069
Packing material.....	28	64
Work-in-progress.....	41	50
Finished Goods (including goods-in-transit ₹ 32 Lakhs; 31 March 2022 ₹ 223 Lakhs)	374	657
Semi finished goods.....	274	260
Spare and consumables.....	163	181
Total	1,917	2,281
Note: Inventories are hypothecated against cash credit facility from bank		
11. Current investments		
(a) In equity instruments (at fair value through profit and loss)		
(i) Quoted:		
2,412 shares (31 March 2022: 2,412 shares) of ₹ 10 each fully paid up in Heubach Colorants India Limited (formely known as Clariant Chemicals (India) Limited).....	6	11
8,100 shares (31 March 2022: 8,100 shares) of ₹ 10 each fully paid up in Bank of India.....	6	4
2,000 shares (31 March 2022: 2,000) of ₹ 2 each in Bharat Seats Limited.....	2	1



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

Particulars	(₹ in lakhs)	
	As at 31 March 2023	As at 31 March 2022
(ii) Unquoted		
1,000 shares (31 March 2022: 1,000 shares) of ₹ 25 each fully paid up of The Shamrao Vithal Co-operative Bank Limited.....	* -	* -
2,500 shares (31 March 2022: 2,500 shares) of ₹ 10 each fully paid up of The Saraswat Co-operative Bank Limited.....	* -	* -
Total	15	16
1) Aggregate cost of quoted investments	14	16
2) Aggregate market value of listed and quoted investments	14	16
3) Aggregate cost of unquoted investments	* -	* -
4) Aggregate cost of unquoted investments (net of diminution in value written off)	* -	* -
* Amount below Rupees One Lakh		
12. Trade receivables (unsecured)		
Considered good	2,672	1,763
Credit impaired	45	46
Less :- Allowance for credit impaired	(45)	(46)
Total	2,672	1,763
(i) Of the above, dues include amount due from related parties ₹ 486 lakhs (31 March 2022: ₹ 93 lakhs)		
(ii) Trade Receivables include ₹ 843 lakhs (31 March 2022: ₹ 234 lakhs) due from the one customer.		
(iii) Trade receivables are hypothecated as Security for Borrowings		
(iv) Ageing of Trade receivable is disclosed in Note 45 D for schedule III disclosure.		
13. Cash and cash equivalents		
Cash on Hand	* -	* -
Balances with Banks		
(i) In current accounts	28	100
(ii) In Exchange Earners Foreign Currency account	451	81
(iii) Deposits with maturity of less than three months	93	2
Total	572	183
* Amount below Rupees One Lakh		
14. Bank balances other than cash and cash equivalents		
Unpaid dividend	8	15
Deposits with original maturity of more than three months but less than 12 months (Balances held as margin money against guarantees and other commitments)	259	387
Total	267	402

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
15. Other financial assets - current		
(unsecured, considered good)		
From parties other than related parties:		
Export Incentive receivable	103	101
Interest Receivable on investments and deposits	* -	* -
Total	103	101
* Amount below Rupees One Lakh		
16. Other current assets		
(unsecured, considered good)		
Prepaid expenses	168	263
Advance to suppliers	14	127
Advance to employees	* -	* -
Balances with government authorities		
i) Cenvat credit receivable	-	1
ii) Goods and service tax act	1,097	1,592
iii) Value added tax	* -	* -
iv) Duty drawback receivable	21	13
Total	1,300	1,996
* Amount below Rupees One Lakh		

17. Share capital

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
(A) Authorised				
Equity shares of ₹ 10/- each with voting rights	1,00,00,000	1,000	1,00,00,000	1,000
(B) Issued, Subscribed and fully paid				
Equity shares of ₹ 10/- each with voting rights	74,51,229	745	74,51,229	745
Total	74,51,229	745	74,51,229	745

(C) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Opening balance	74,51,229	745	74,51,229	745
Add / (Less): Equity shares issued / bought back during the year	-	-	-	-
Closing Balance	74,51,229	745	74,51,229	745



Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

(₹ in lakhs)

(D) Details of equity shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2023		As at 31 March, 2022		% change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares with voting rights					
Mrs. S. F Vakil (Promoter shareholder)	36,24,179	48.64%	37,69,179	50.58%	-1.95%

(E) There were no equity shares allotted as fully paid up pursuant to contracts without payment received in cash, there were no bonus shares allotted and there were no equity shares bought back, during the period of 5 years immediately preceding the Balance Sheet date.

(F) The Company has one class of equity shares having par value of ₹ 10/- per share.

In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

18. Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Capital reserve		
Balance as at the commencement and end of the year	77	77
(b) Capital redemption reserve		
Balance as at the commencement and end of the year	16	16
(c) Securities premium account		
Balance as at the commencement and end of the year	2,594	2,594
(d) General reserve		
Balance as at the commencement and end of the year	519	519
(e) Retained Earnings		
Balance as at the commencement of the year.....	9,082	10,964
Add: Profit/(Loss) for the year.....	1,847	(1,658)
	10,929	9,306
Less : Dividend to equity shareholders (₹ Nil per share) (Previous year ₹ 3 per share)	-	(224)
Balance as at the end of the year	10,929	9,082
(f) Other items of other comprehensive income / (loss)		
Balance as at the commencement of the year	(88)	(58)
Add: Remeasurements of employment benefit obligation	1	(30)
Balance as at the end of the year	(87)	(88)
Total	14,048	12,200

* Amount below Rupees One Lakh

Nature and Purpose of Reserves

(a) Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

(b) Capital redemption reserve

A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of company's own shares pursuant to Section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

- (c) Securities premium account
Securities premium reserve is credited when shares are issued at a premium. It is utilized in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting costs, etc.
- (d) General reserve
General reserve is a free reserve, which is created by transferring funds from retained earnings to be used time to time to transfer profits from retained earnings for appropriation purposes.
- (e) Retained earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to General Reserve and payment of dividend.
- (f) Other items of other comprehensive income
Other items of other comprehensive income consist of re-measurement of net defined benefit liability/asset.
- (g) Dividends declared by the Company are based on profits available for distribution. During financial year 2021-22 Company has paid final dividend of ₹ 3 per share in respect of the year ended 31 March 2021.

19(a). Non - current financial liabilities - borrowings

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Term loan from banks - Secured	1,521	133
(b) Working capital term loan from banks - Secured	204	274
Total	1,725	407

Note (i)

The term loan from Axis Bank is secured by:

- First pari-passu charge by way of hypothecation/mortgage of entire movable and immovable property, plant and equipment of the Company, both present and future at Dahej, Kurkumbh and Ceejay House.
- Second pari-passu charge by way of hypothecation charge on entire current assets of the Company, including inventories and trade receivables, both present and the future.
- Escrow of monthly rental to be received from Ceejay House, property, Worli, Mumbai.
- Rate of interest payable is REPO + 4.5%.
- Term loan was applied for the purpose for which the loan was obtained.
- Bank returns / stock statements filed by the Company with its bankers are in agreement with books of account.

The working capital term loan from Axis Bank is secured by:

- Second charge on Primary and Collateral Securities as above
- Rate of interest payable is REPO + 4.5%

Axis Bank term loan and working capital repayment schedule

(₹ in lakhs)

Particulars	Total No of Installment	Outstanding Nos of Installment	Monthly Installment	Principal Loan amount
Term loan				
Financial Year 2023-24	8	8	46.25	378
Financial Year 2024-25	12	12	46.25	555
Financial Year 2025-26	12	12	46.25	555
Financial Year 2026-27	9	9	46.25	428
				1,916
Working capital term loan				
Financial Year 2023-24	12	12	5.83	70
Financial Year 2024-25	12	12	5.83	70
Financial Year 2025-26	12	12	5.83	70
Financial Year 2026-27	11	11	5.83	64
				274



Notes forming part of the Standalone financial statements for the year ended 31 March 2023(Contd.)

Note (ii)

Loan from Director of ₹ 320 lakhs carries interest rate of 8.50 % per annum.

Note (iii)

The Company has not defaulted on repayment of interest and loans as at the balance sheet date.

Note (iv)

(₹ in lakhs)

Current maturities of long term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
- Term loans from banks and others	465	7
19(b). Non - current financial liabilities - others		
Security Deposit.....	75	68
Deferred rent.....	4	11
Total	79	79
20. Provision - non current		
Provision for employee benefits		
Gratuity.....	38	69
Compensated Absences	110	122
Provision for Taxation.....	28	-
Total	176	191
21. Current financial liabilities - borrowings		
Loan From Director (Refer note 41).....	346	321
Cash credit (secured).....	1,285	1,437
Total	1,631	1,758
Current maturities of long term borrowings		
- Term loans from banks & others (Refer note 19 (a) for repayment schedule)	465	7
	2,096	1,765
22. Trade payables- Current		
i) Total outstanding dues of Micro Enterprises and Small Enterprises (Refer foot note)	79	243
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises (Refer note 41 for Related Party transactions)	2,733	2,734
Total	2,812	2,977
Note		
Aging of Trade payable is disclosed in Note 45 B for schedule III disclosure. Micro enterprises and small enterprises Information in respect of micro, small and medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company. The following disclosures are made for the amounts due to the micro, small and medium enterprises:		
(i) Principal Amount remaining unpaid to any supplier as at the end of the accounting year	79	243
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of the delay in making payment (which have been paid but beyond the appointed date during the year but without adding the interest specified under the MSMED Act)	21	33

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	21	33
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

23. Other financial liabilities - current

Unpaid dividends**	8	15
Interest accrued but not due on Term Loan	* -	* -
Employee benefits payable	224	244
Security deposits	4	4
Payables on purchase of property, plant and equipment	302	1
Deferred rent	7	6
Total	545	270

** There are no amounts due for payment to the Investor education and protection fund ("IEPF") under Section 125 of the Companies Act, 2013.

* Amount below Rupees One Lakh

24. Other current liabilities

Advance from customers.....	127	30
Advance for Asset held for Sale (Refer note 4).....	-	480
Payable to statutory authorities.....	57	103
Total	184	613

25. Provisions - current

Provision for Employee Benefits		
Gratuity	54	51
Compensated Absences.....	80	85
Total	134	136

26. Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Sale of products	18,074	11,945
(b) Sale of services (Job work)	4	4
(c) Other operating revenues (Refer Note (i) below)	316	235
Total	18,394	12,184

Notes:

(i) Other operating revenues comprises:

Scrap sales	307	217
Others	9	18
Total	316	235



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

Note: Ind AS 115 – Revenue from Contracts with Customers

(₹ in lakhs)

(A) The Company is primarily in the Business of manufacture and sale of Specialty chemicals. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component.

(B) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customer as per Contract price.....	17,965	12,070
Add/(Less) : Discounts and other adjustments.....	298	(96)
Add/(Less) : Sales Returns /Credits / Reversals.....	(189)	(29)
Revenue from contract with customer as per statement of profit and loss.....	18,074	11,945

Disaggregation of revenue - Revenue from major products

Particulars

	For the year ended 31 March 2023	For the year ended 31 March 2022
R-54560.....	4,098	1,359
Lubimax 2591.....	1,025	1
R-55164.91R.....	995	-
Noigen Ba 55.....	833	384
R-54748.....	826	252
WCP 1528.....	627	-
Others.....	9,670	9,949
	18,074	11,945

27. Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income - others (Refer Note (i) below).....	25	29
Dividend income from		
-Joint venture.....	-	169
-Others.....	* -	* -
Profit on sale of investments.....	-	2
Profit on Revulation of Investments.....	-	* -
Export Incentive.....	191	90
Rent Received.....	124	124
Profit on sales of property, plant and equipment.....	-	3
Other non-operating Income (Including exchange gain) (Note (ii)).....	304	191
Total	644	608
Note (i) Interest income comprises:		
Interest from banks on deposits	24	20
Others interest (Interest on value added tax refund).....	* -	9
	25	29
Note (ii) Other non-operating Income		
Net gain on foreign currency transactions and translation.....	280	100
Liabilities no longer payable written back.....	24	86
Miscellaneous receipts	* -	5
Total	304	191

* Amount below Rupees One Lakh

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
28. Cost of materials consumed		
Opening Stock.....	1,133	1,008
Add : Purchases.....	11,504	8,690
Less : Closing Stock.....	(1,065)	(1,133)
Total	11,572	8,565
Raw Materials consumed comprises of the following:		
Fatty Alcohol, Phenol & Glycol	3,236	1,194
Ethylene Oxide	1,544	1,596
Solvents.....	1,318	219
Oils & Fatty Acids	480	391
Acrylamide	260	336
Amines	89	177
Other items	4,645	4,652
Total	11,572	8,565
29. Changes in inventories of finished goods, semi finished goods and work-in-progress		
Inventories at the end of the year		
Finished goods	374	657
Semi finished goods	274	260
Work-in-progress	41	50
	690	967
Inventories at the beginning of the year		
Finished goods	657	852
Semi finished goods	260	444
Work-in-progress.....	50	26
	967	1,322
Net decrease	277	355
30. Employee Benefits Expense		
Salaries, wages and bonus	1,380	1,367
Contribution to provident and other funds.....	101	96
Staff welfare expenses	87	78
Total	1,568	1,541
31. Finance costs		
Interest expenses - On borrowings	215	84
- Others	89	65
Total	304	149
32. Depreciation and amortisation expense		
Depreciation on Property, plant and equipment.....	743	676
Amortisation of intangible asset	2	4
Total	745	680



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
33. Other expenses		
Consumption of stores and spare parts.....	61	66
Power and fuel.....	941	710
Repairs to Plant and Machinery.....	2	6
Repairs to Others.....	125	153
Effluent Treatment Expenses.....	36	16
Job work Charges.....	2	424
Insurance.....	229	282
Rates and Taxes, excluding, taxes on income.....	47	68
Traveling Expenses.....	70	66
Legal and Professional Fees.....	126	151
Payment to Auditors		
Audit fees.....	20	20
Tax audit.....	4	4
Other Services (Limited review).....	15	15
Out of Pocket expenses.....	1	* -
Freight and forwarding on sales.....	846	610
Commission on sales.....	58	56
Contract labour charges.....	360	323
Directors Sitting fees.....	12	11
Donation.....	1	-
Security charges.....	63	63
Loss of sale of asset.....	20	-
Provision for non-moving inventory.....	1	12
Inventory assets written off during the year.....	104	35
Loss on Revaluation of Investments.....	2	-
Fire related expenses.....	35	129
Bad debts written off.....	-	125
Provision for doubtful trade receivables.....	* -	6
Miscellaneous Expenses	207	209
Total	3,388	3,560

* Amount below Rupees One Lakh

34. Contingent Liabilities and Capital Commitments

a) Contingent Liabilities

Sr. No	Particulars	As at 31 March 2023	As at 31 March 2022
	Claims against the Company not acknowledged as debt:		
(i)	Octroi (classification of raw materials)* * Includes ₹ 142 lakhs (31 March 2022: ₹ 142 lakhs) for which bank guarantee has been given and shown under note below 34 (a)(vi)	243	243
(ii)	Disputed income tax demands in respect of deductions/disallowances for earlier years pending with Appellate Tribunals (Determination of nature of receipt)	30	30
(iii)	Disputed income tax demands in respect of deductions/disallowances for earlier years pending with Income Tax Authorities	623	623
(iv)	Disputed Sales Tax demands for set off claimed	15	15
(v)	Service Tax (Dispute on avilment of cenvat on exempt goods)	54	86

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(vi)	Guarantees issued to others by Bank secured by counter guarantee of the Company and by charge on the property, plant and equipment, inventories and trade receivables of the company	328	347
(vii)	Bond for availing duty exemption under Exemption Entitlement certificate Scheme	89	109
(viii)	Bond for availing duty benefit under Manufacture and Other Operations in Warehouse regulation scheme	300	-
	Total	1,682	1,452

b) Capital Commitments

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets - Property, plant and equipment (net of advances)	4	336

35. Details on derivative instruments and unhedged foreign currency exposures

- I. There were no outstanding forward exchange contracts entered into by the Company during the financial year and outstanding as at 31 March 2023 ₹ Nil (31 March 2022 : ₹ Nil)
- II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at 31 March, 2023		As at 31 March, 2022	
	(INR in Lakhs)	(USD in Lakhs)	(INR in Lakhs)	(USD in Lakhs)
Receivables	1794	USD 21.88	769	USD 10.33
(Payables)	(175)	USD 2.13	(250)	USD 3.24
(Payables)	* -	CHF 0.01	(23)	CHF 0.29

Note : Receivables includes balance of Exchange Earner Foreign Currency account

* Amount below Rupees One Lakh

36. Corporate Social Responsibility expenditure

Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company for the year ended 31 March 2023.

37. Disclosure of Employee Benefits as per Ind AS 19 is as under:

i) Defined contribution plans:

The Company makes contributions towards provident fund and Employees State Insurance Scheme Contributions which are defined benefit contribution plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The provident fund plan is operated by the Government administered employee provident fund. Eligible employees receive the benefits from the said Provident Fund. Both the employees and the Company make monthly contribution to the Provident Fund plan equal to a specific percentage of the covered employee's salary. The Company has no obligations other than to make the specified contributions.

The Company has recognised the following amounts in the standalone statement of Profit and Loss

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Contribution to Provident Fund	85	81
- Contribution to Employee State Insurance Corporation	* -	* -
Total	85	81

* Amount below Rupees One Lakh



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

ii) Defined benefit plan:

The Company earmarks liability towards funded Group Gratuity and provides for payment to vested employees as under:

a) On Normal retirement/ early retirement/ withdrawal/resignation:

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

b) On death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The Company also provided for protected Gratuity calculated based on additional 15 days of service for all employees upto 1 December 2003.

The Company has established an income tax approved irrevocable trust fund to which it regularly contributes to finance liabilities of the plan. The fund's investments are managed by insurance company as per the mandate provided to them by the trustees and the asset allocation is within the permissible limits prescribed in the insurance regulations.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2023 by an independent actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at 31 March 2023

(₹ in lakhs)

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
i)	Reconciliation in present value of obligations (PVO) – defined benefit obligation :		
	Current Service Cost.....	12	11
	Interest Cost.....	10	9
	Actuarial (gain)/losses.....	(2)	31
	Benefits paid.....	(38)	(36)
	PVO at the beginning of the year	185	171
	PVO at end of the year.....	168	185
ii)	Change in fair value of plan assets:		
	Expected return on plan assets.....	4	5
	Return on plan assets.....	(1)	1
	Contributions by the employer.....	42	13
	Benefits paid.....	(38)	(36)
	Fair value of plan assets at beginning of the year.....	79	96
	Fair value of plan assets at end of the year.....	86	79
iii)	Analysis of Defined Benefit Obligation :		
	Defined Benefit Obligation at the end of the year.....	168	185
	Provision for protected gratuity.....	10	14
	Fair Value of Plan assets at the end of the year.....	86	79

Notes forming part of Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
	Current / Non current classifications		
	Current	54	51
	Non current	38	69
	Total	92	120
iv)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of year.....	168	185
	Provision for protected gratuity.....	10	14
	Fair Value of plan assets.....	86	79
	Funded status.....	86	79
	Net liability recognised in the balance sheet	92	120
V)	Expense recognised in the statement of profit or loss:		
	Current Service cost	12	11
	Net interest.....	6	4
	Expense recognised in the statement of profit or loss.....	18	15
VI)	Other comprehensive income (OCI):		
	Actuarial Loss/(Gain) recognised for the period.....	(2)	31
	Return on plan assets excluding interest income.....	1	(1)
	Total actuarial Loss/(Gain) recognised in OCI.....	(1)	30
VII)	Assumption used in accounting for the gratuity plan:		
	Discount rate (%)	7.29%	5.66%
	Expected return on plan assets	7.29%	5.66%
	Salary escalation rate (%)	7.00%	7.0%
	Attrition	21.8%	21.8%
	Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

* Amount below Rupees One Lakh

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



Notes forming part of Standalone financial statements for the year ended 31 March 2023 (Contd.)

The amounts of the present value of the obligation and experience adjustment arising on plan liabilities are as below :

(₹ in lakhs)

Experience adjustments	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Gratuity					
Expected gain / (loss) adjustments on plan liabilities	4	(33)	20	8	34
Experience gain / (loss) adjustments on plan assets	(1)	1	3	(12)	(7)
Defined Benefits at the end of the year	168	185	171	192	257
Plan Assets at the end of the year	86	79	96	105	172
Funded status Deficit	(92)	(107)	(75)	(87)	(84)
Contribution expected to be paid to the plan during next financial year	53	51	45	48	30

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Sensitivity Analysis

Particulars	As at 31 March 2023	As at 31 March 2022
Delta Effect of +1% Change in Rate of Discounting	(4)	(4)
Delta Effect of -1% Change in Rate of Discounting	4	4
Delta Effect of +1% Change in Rate of Salary Increase	3	4
Delta Effect of -1% Change in Rate of Salary Increase	(3)	(4)
Delta Effect of +1% Change in Rate of Employee attrition	* -	* -
Delta Effect of -1% Change in Rate of Employee attrition	* -	* -

* Amount below Rupees One Lakh

38. Earnings per share (EPS)

(₹ in lakhs)

Particulars			Year ended 31 March 2023	Year ended 31 March 2022
Profit/(Loss) after tax attributable to equity shareholders	₹ in lakhs	A	1,847	(1,658)
Weighted average number of equity shares outstanding during the year	Nos.	B	7,451,229	7,451,229
Basic and diluted earnings per equity share	In ₹	(A / B)	24.79	(22.25)
Face value per equity share	In ₹		10	10

39. Dividend paid and proposed:

Dividends on equity shares were declared and paid by the Company during the year

(₹ in lakhs)

Particulars	Dividend Per Equity Shares (₹)	Year ended 31 March 2023	Dividend Per Equity Shares (₹)	Year ended 31 March 2022
Final Dividend on Equity Shares		-	3.00	224
Total	-	-	-	224

The Board of Directors at the meeting held on 30 May 2023 recommended a dividend of ₹ 4 per share (previous year ₹ Nil per share) subject to approval of the members at the ensuing Annual General Meeting.

40. Segment Reporting

The Company management, pursuant to 'Ind AS 108 – Operating Segments' has concluded that the Company has only one reportable segment which is Specialty Chemicals. Accordingly, no separate disclosures of segment information have been made.

Notes forming part of Standalone financial statements for the year ended 31 March 2023 (Contd.)

41. Related party disclosures

Description of relationship	Names of related parties
(i) Subsidiary	Dai-ichi Gosei Chemicals (India) Limited (DGCIL)
(ii) Jointly controlled entities (JCE)	ChampionX Dai-ichi India Private Ltd. (CXDI)
(iii) Key Management Personnel (KMP)	i) Mrs. S. F. Vakil - Chairperson and Managing Director (SFV) - (w.e.f. from 1st April 2023 - Chairperson and Wholetime Director)
	ii) Ms. Meher F. Vakil - COO- Daughter of Managing Director (MFV) (w.e.f. from 1st April 2023 - Managing Director)
	iii) Mr. A H Jehangir (AHJ)
	iv) Mr. Kavas Patel (Independent Director) (KP)
	v) Mr. Keki Elavia (Independent Director) (KE)
	vi) Mr. Ashok V. Hiremath (Independent Director) (AVH)
	vii) Mr. Shailesh Chauhan (Chief Financial Officer) (SC) upto 31 October 2021
	viii) Mr. Farokh P Gandhi (Chief Financial Officer) (FG)w.e.f 1 November 2021
	ix) Mr. Ankit P Shah (Company Secretary) (AS)
(iv) Relatives of KMP	i) Mr. Firoze Adi Vakil - Husband of Managing Director SFV (FAV)
	ii) Mr. Jahangir F. Vakil - Son of Managing Director SFV (JFV)
	iii) Mrs. P. R. Mehta -Sister of Managing Director SFV (PRM)
	iv) Mr. Matthew I. Taff - Husband of Ms. Meher F Vakil (MT)
(v) Entities in which KMP / Relatives of KMP can exercise significant influence	i) Indian Oxides and Chemicals Private Limited (IOCL)
	ii) Rose Investments Limited (RIL),
	iii) General Pharmaceuticals Pvt. Ltd. (GPPL)
	iv) Netal (India) Limited (NIL)
	v) Neterwala Consulting & Corporate Services Limited (NCCL)
	vi) Chemicals and Ferro Alloys Pvt. Ltd (CFAPL)
	vii) Uni Klinger Limited (UKL)
	viii) Natch Products & Services Pvt. Ltd. (NPSPL)
(vi) Enterprises over which director can exercise significant influence	i) Maneckji & Shirinbai Neterwala Foundation (MSNF)



Notes forming part of Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries (DGCIL)	JCE (CXDI)	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP can exercise significant influence	Enterprises over which director can exercise significant influence	Total
Purchase of goods:							
CXDI	-	70	-	-	-	-	70
	-	-	-	-	-	-	-
IOCL	-	-	-	-	185	-	185
	-	-	-	-	(136)	-	(136)
GPPL	-	-	-	-	64	-	64
	-	-	-	-	(57)	-	(57)
UKL	-	-	-	-	37	-	37
	-	-	-	-	(12)	-	(12)
Sale of goods:							
CXDI	-	1,219	-	-	-	-	1,219
	-	(716)	-	-	-	-	(716)
GPPL	-	-	-	-	21	-	21
	-	-	-	-	(24)	-	(24)
Sale of Property							
IOCL	-	-	-	-	321	-	321
	-	-	-	-	-	-	-
Rendering of services/ Reimbursement of expenses:							
CXDI	-	12	-	-	-	-	12
	-	(12)	-	-	-	-	(12)
IOCL	-	-	-	-	7	-	7
	-	-	-	-	(12)	-	(12)
Receiving of services/ Reimbursement of expenses :							
SFV	-	-	2	-	-	-	2
	-	-	(1)	-	-	-	(1)
MFV	-	-	7	-	-	-	7
	-	-	(3)	-	-	-	(3)
NPSPL	-	-	* -	-	* -	-	* -
	-	-	(2)	-	-	-	(2)
NIL	-	-	-	-	* -	-	* -
	-	-	-	-	-	-	-
Rent							
SFV	-	-	31	-	-	-	31
	-	-	(30)	-	-	-	(30)

Notes forming part of Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries (DGCIL)	JCE (CXDI)	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP can exercise significant influence	Enterprises over which director can exercise significant influence	Total
Interest Paid	-	-	-	-	-	-	-
SFV	-	-	28	-	-	-	28
	-	-	(13)	-	-	-	(13)
Remuneration :							
SFV	-	-	254	-	-	-	254
	-	-	(226)	-	-	-	(226)
MFV	-	-	145	-	-	-	145
	-	-	(144)	-	-	-	(144)
SC (upto 31 Oct 2021)	-	-	-	-	-	-	-
	-	-	(31)	-	-	-	(31)
FG (w.e.f 1 Nov 2021)	-	-	62	-	-	-	62
	-	-	(24)	-	-	-	(24)
AS	-	-	20	-	-	-	20
	-	-	(17)	-	-	-	(17)
Directors' Sitting Fees :							
AHJ	-	-	2	-	-	-	2
	-	-	(1)	-	-	-	(1)
KP	-	-	3	-	-	-	3
	-	-	(3)	-	-	-	(3)
KE	-	-	3	-	-	-	3
	-	-	(3)	-	-	-	(3)
AVH	-	-	3	-	-	-	3
	-	-	(3)	-	-	-	(3)
Dividend received :							
CXDI	-	-	-	-	-	-	-
	-	(169)	-	-	-	-	(169)
Deposit Given :							
SFV	-	-	-	-	-	-	-
Loan Taken :							
SFV	-	-	-	-	-	-	-
	-	-	(200)	-	-	-	(200)
Loan Repaid :							
SFV	-	-	-	-	-	-	-
	-	-	(625)	-	-	-	(625)
Balances outstanding at the end of the year							
Investments :							
CXDI	-	68	-	-	-	-	68
	-	(68)	-	-	-	-	(68)
Trade receivables:							
CXDI	-	478	-	-	-	-	478
	-	(81)	-	-	-	-	(81)



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries (DGCIL)	JCE (CXDI)	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP can exercise significant influence	Enterprises over which director can exercise significant influence	Total
IOCL	-	-	-	-	* -	-	* -
	-	-	-	-	-	-	-
GPPL	-	-	-	-	7	-	7
	-	-	-	-	(12)	-	(12)
Deposits for office :							
SFV	-	-	32	-	-	-	32
	-	-	(32)	-	-	-	(32)
Loan Taken :							
SFV	-	-	-	-	-	-	-
	-	-	(321)	-	-	-	(321)
Trade payable :							
CXDI	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
IOCL	-	-	-	-	117	-	117
	-	-	-	-	(214)	-	(214)
UKL	-	-	-	-	10	-	10
	-	-	-	-	(3)	-	(3)
NIL	-	-	-	-	* -	-	* -
	-	-	-	-	-	-	-
GPPL	-	-	-	-	-	-	-
	-	-	-	-	(16)	-	(16)
CFAPL	-	-	-	-	* -	-	* -
	-	-	-	-	-	-	-
MFV	-	-	* -	-	-	-	* -
	-	-	-	-	-	-	-

* Amount below Rupees One Lakh

Note: Figures in bracket relate to the previous year

(₹ in lakhs)

Payment of sitting fees to Independent directors	Year ended 31 March 2023	Year ended 31 March 2022
Sitting fees	12	11

Key management personnel compensation

Key management personnel compensation comprised the following :

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Post-employment benefits	41	40
Other long-term benefits	79	76

Based on the recommendation of the Nomination and Remuneration committee, all decisions relating to the remuneration of the directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

All other related party transactions are made in the normal course of business and on terms equivalent to those that prevail in an arm's length transactions.

Note : Figures in the brackets are the corresponding figures of the previous year.

42. Interest in joint ventures

(₹ in lakhs)

Name and country of incorporation	% of interest / ownership	Amount of interest based on accounts for the year ended 31 March 2023					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
ChampionX Dai-ichi India Private Ltd (India)	50	2,858	2,858	1,882	1,661	1,137	-
Previous year	50	2,487	2,487	1,562	1,523	1,062	-

43. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The Company uses the following hierarchic structure of valuation methods to determine and disclose information about the fair value of financial instruments:

Level 1: inputs to valuation are quoted (unadjusted) prices in active markets for identical assets and liabilities;

Level 2: inputs to valuation are other than quoted prices included in level 1 that are observable for asset or liability, either directly or indirectly;

Level 3: inputs are not based on observable market data. Fair value are determined in whole or in part using a valuation model based on assumption that are either supported by prices from observable current market transaction in the same instruments nor are they based on available market data.

The carrying value of financial instruments by categories is as follows :

(₹ in lakhs)

Particulars	As at 31 March 2023							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	572	572	-	-	-	-
Other bank balances	-	-	267	267	-	-	-	-
Current investments	15	-	-	15	15	-	-	15
Non current investments (other than in subsidiary and joint venture)	-	-	1	1	-	-	-	-
Financial Assets - Non-current	-	-	409	409	-	-	-	-
Trade receivables	-	-	2,672	2,672	-	-	-	-
Other current financial assets	-	-	103	103	-	-	-	-
	15	-	4,024	4,039	15	-	-	15
Financial liabilities								
Non current borrowings (Including current maturity of long term debts)	-	-	1,725	1,725	-	-	-	-
Current borrowings	-	-	2,096	2,096	-	-	-	-
Other non current financial liabilities	-	-	79	79	-	-	-	-
Trade payables	-	-	2,812	2,812	-	-	-	-
Other current financial liabilities	-	-	545	545	-	-	-	-
	-	-	7,257	7,257	-	-	-	-



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2022							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	183	183	-	-	-	-
Other bank balances	-	-	402	402	-	-	-	-
Current investments	16	-	-	16	16	-	-	16
Non current investments (other than in subsidiary and joint venture)	-	-	1	1	-	-	-	-
Financial Assets - Non-current	-	-	253	253	-	-	-	-
Trade receivables	-	-	1,763	1,763	-	-	-	-
Other current financial assets	-	-	101	101	-	-	-	-
	16	-	2,704	2,720	16	-	-	16
Financial liabilities								
Non current borrowings (Including current maturity of long term debts)	-	-	407	407	-	-	-	-
Current borrowings	-	-	1,765	1,765	-	-	-	-
Other non current financial liabilities	-	-	79	79	-	-	-	-
Trade payables	-	-	2,977	2,977	-	-	-	-
Other current financial liabilities	-	-	270	270	-	-	-	-
	-	-	5,498	5,498	-	-	-	-

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables, cash credit and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair value

- a) The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date.

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

Trade receivables are consisting of a large number of customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

At 31 March 2023, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
India	1,329	995
Other regions	1,343	768
	2,672	1,763

Impairment

At 31 March 2023, the ageing of trade and other receivables that were not impaired was as follows.

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Neither past due nor impaired		
Past due 1-180 days	2,672	1,660
Past due more than 180 days	-	103
	2,672	1,763

Management believes that the un-impaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year.....	46	39
Impairment loss recognised.....	-	7
Amounts written off / (back).....	(1)	-
Balance as at the end of the year.....	45	46

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The majority of the Company's Trade receivables are due for maturity within 60 days from the date of billing to the customer. Further, the general credit terms for Trade payables are approximately 45 days. The difference between the above mentioned credit period provides sufficient headroom to meet the short-term working capital needs for day-to-day operations of the Company. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

Exposure to liquidity risk

(₹ in lakhs)

31 March 2023	Contractual cash flows						
	Carrying amount	Total	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th year	Due in 5th year
Non-derivative financial liabilities							
Term loan from bank	1,916	1,916	378	555	555	428	-
Working capital term loan	274	274	70	70	70	64	-
Working capital loan from banks	1,285	1,285	1,285	-	-	-	-
Loan From director	346	346	346	-	-	-	-
Trade payables	2,812	2,812	2,812	-	-	-	-
Other current financial liabilities	545	545	545	-	-	-	-

31 March 2022	Contractual cash flows						
	Carrying amount	Total	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th year	Due in 5th year
Non-derivative financial liabilities							
Term loan from bank	133	133	-	133	-	-	-
Working capital term loan	280	280	6	70	70	70	64
Vehicle loan	1	1	1	-	-	-	-
Working capital loan from banks	1,437	1,437	1,437	-	-	-	-
Loan From director	321	321	321	-	-	-	-
Trade payables	2,977	2,977	2,977	-	-	-	-
Other current financial liabilities	270	270	270	-	-	-	-

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and fixed income securities. Fixed income securities exposes the Company to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
Fixed-rate instruments		
Financial liabilities - vehicle loan and loan from director	346	322
	346	322
Variable-rate instruments		
Financial liabilities - term loan, working capital demand loan and cash credit	(3,475)	(1,850)
	(3,475)	(1,850)
Total	(3,129)	(1,528)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)**Fair value sensitivity analysis for variable rate instruments**

(₹ in lakhs)

INR	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2023				
Variable-rate instruments	(35)	35	(26)	26
Cash flow sensitivity (net)	(35)	35	(26)	26
31 March 2022				
Variable-rate instruments	(19)	19	(13)	13
Cash flow sensitivity (net)	(19)	19	(13)	13

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

44. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at 31 March 2023 was as follows.

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Borrowing	3,821	2,172
Less : Cash and cash equivalent	572	183
Adjusted net debt	3,249	1,989
Total equity	14,793	12,945
Net debt to equity ratio	0.22	0.15



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

45 Additional Regulatory information

A Ratios

Particulars	Numerator	Denominator	Current year	Previous year	% Change	Reason for variance
Current ratio (in times)	Total current Asset	Total current liabilities	1.19	1.18	1%	
Debt-Equity ratio (in times)	Debt consist of borrowings	Total equity	0.26	0.17	54%	Current year debt has increased on account of term loan drawdown
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non cash Operating expenses + Interest+ Other non cash adjustments	Debt service = Interest payment & principal repayment during the year	9.6	(4.9)	-294%	Current year due to profit the Debt service coverage ratio has improved
Return on equity ratio (in %)	Profit/(Loss) for the year	Total equity	12%	-13%	-197%	The ratio was higher due to Net Profit in Current year
Inventory turnover ratio (in times)	Cost of raw material consumed + Changes in inventories	Average inventory	5.6	3.8	50%	Growth in revenue and inventory optimisation improved inventory turnover ratio
Trade receivables turnover ratio (in times)	Revenue from Operations	Average trade receivables	8.3	5.9	41%	Trade receivable turnover ratio is higher due increase in production activity
Trade payables turnover ratio (in times)	Cost of goods sold	Average trade payables	4.0	2.5	60%	Trade Payable turnover ratio improved due to lower trade payables
Net capital turnover ratio (in times)	Revenue from Operations	Working capital (ie Total current assets less Total current liabilities)	17.1	11.8	45%	Ratio has improved due to increase in turnover
Net profit ratio (in %)	Profit/(Loss) for the year	Revenue from operations	10%	-14%	-174%	Current year due to profit from operations the ratio has improved
Return on capital employed (in %)	Profit before tax and finance costs	Closing capital employed = Net worth + Current and Non Current Borrowings	14%	-10%	-235%	Current year due to profit from operations the ratio has improved
Return on investment (in %)	Income generated from invested funds	Invested funds in treasury investments	6%	5%	9%	

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

B Trade payable aging schedule :

a) As at 31-March-2023

(₹ in lakhs)

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 year	Total
i) MSME	29	47	-	2	1	79
ii) Others trade payables	1,237	1,471	8	7	10	2,733
iii) Disputed MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,266	1,518	8	9	11	2,812

b) As at 31-March-2022

(₹ in lakhs)

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 year	Total
i) MSME	61	180	-	1	1	243
ii) Others trade payables	1,038	1,525	100	39	32	2,734
iii) Disputed MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,099	1,705	100	40	33	2,977

* Amount below Rupees One Lakh

C Capital work in progress aging schedule :

a) As on 31-March 2023

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	Total
Projects in progress	35	-	-	-	35
Projects temporarily suspended	-	-	-	-	-
	35	-	-	-	35

No projects are overdue or has exceeded its cost as per original plan as on date of balance sheet

b) As on 31-March 2022

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	Total
Projects in progress	205	-	-	-	205
Projects temporarily suspended	-	-	-	-	-
	205	-	-	-	205

No projects are overdue or has exceeded its cost as per original plan as on date of balance sheet

D Trade receivable aging schedule :

a) As on 31-March 2023

(₹ in lakhs)

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 months	6 months < 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed - considered good	1,598	1,074	-	-	-	-	2,672
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	2	2	-	21	11	9	45
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
	1,600	1,076	-	21	11	9	2,717
Less : Allowance for doubtful trade receivables							(45)
							2,672



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

b) As on 31-March 2022

(₹ in lakhs)

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 months	6 months < 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed - considered good	822	838	103	-	-	-	1,763
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	2	6	5	14	17	2	46
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
	824	844	108	14	17	2	1,809
Less : Allowance for doubtful trade receivables							(46)
							1,763

46. Income Taxes

(A) Components of Income Tax Expenses

(i) Tax Expense recognised in Standalone profit and loss

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
Current period.....	-	-
Total Current tax expense.....	-	-
Income tax adjustment of earlier years.....	(66)	-
Deferred tax.....	390	-
Current period.....	-	-
Derecognition of Minimum Alternate Tax credit entitlement.....	40	-
Total deferred tax expense.....	430	-
Tax expense for the year.....	364	-

(ii) Tax recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	1	-	1	(30)	1	(29)
	1	-	1	(30)	1	(29)

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

(B) Reconciliation of effective tax rate

(₹ in lakhs)

Particulars	(%)	For the year ended 31 March 2023	(%)	For the year ended 31 March 2022
(Loss)/Profit before tax.....		2,211		(1,658)
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 27.8%).....	25.17%	556	27.8%	(461)
Tax effect of:				
Unrecognised DTA of earlier years now utilized		-		442
Decrease in substantially enacted tax rate		70		-
Others		(236)		19
		390		-

The Company's domestic tax rates for the years ended 31 March 2023 is 25.17% and 31 March 2022 was 27.8%.

Based on the evaluation of the management the company has opted to avail the choice new regime under section 115BA of reduced tax rate from the current financial year ie FY 2022-23; resulting into tax saving on account of absorption of previous year losses.

47 Income Taxes

(C) Movement in deferred tax assets and liabilities

(₹ in lakhs)

Particulars	31 March, 2023					
	Net balance 1 April 2022	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred Tax Liabilities:						
Property, plant and equipment and Intangible assets	(969)	(109)	-	(1,078)	-	(1,078)
Investment	(2)	-	-	(2)	-	(2)
Deferred Tax Assets:						
Insurance claim adjusted in tax WDV	1,064	(547)	-	517	517	-
Trade receivables	11	-	-	11	11	-
Income tax loss (including depreciation)	795	340	-	1,135	1,135	-
Other items	110	(27)	-	83	83	-
Indexed Cost of Land	5	(5)	-	-	-	-
Minimum alternate tax credit entitlement	42	(42)	-	-	-	-
Deferred Tax assets (Liabilities)	1,056	(390)	-	666	1,746	(1,080)
Offsetting of deferred tax assets and deferred tax liabilities					(1,080)	
Net Deferred Tax assets (Liabilities)	1,056	(390)	-	666	666	

Particulars	31 March, 2022					
	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred Tax Liabilities:						
Property, plant and equipment and Intangible assets	(969)	-	-	(969)	-	(969)
Investment	(2)	-	-	(2)	-	(2)
Deferred Tax Assets:						
Insurance claim adjusted in tax WDV	1,064	-	-	1,064	1,064	-
Trade receivables	11	-	-	11	11	-
Income tax loss (including depreciation)	795	-	-	795	795	-
Other items	110	-	-	110	110	-
Indexed Cost of Land	5	-	-	5	5	-
Minimum alternate tax credit entitlement	42	-	-	42	42	-
Deferred Tax assets (Liabilities)	1,056	-	-	1,056	2,027	(971)
Offsetting of deferred tax assets and deferred tax liabilities					(971)	
Net Deferred Tax assets (Liabilities)	1,056	-	-	1,056	1,056	



Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

In the previous year Company had not recognised deferred tax asset (DTA) on carry forward losses aggregating ₹ 442 lakhs in the absence of convincing evidence of sufficient future taxable income against which such deferred tax asset can be realised.

The Company during current financial year has utilized deferred tax asset (DTA) ; on account of set off of losses against current year profits and recognition of insurance claim estimate as per documents submitted to insurance company.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

D. Tax assets and liabilities

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current tax assets (net)	556	434
Non Current tax liability (net)	28	-
Current tax assets (net)	-	-
Current tax liabilities (net)	-	-

48. Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these financial statements by the Board of Directors of the Company requiring adjustment or disclosure.

49. Exceptional Items

a. Loss by fire at Dahej Plant

Pursuant to a fire incident on 22 November 2020 at Dahej factory situated at Plot no. D-2/20, GIDC, Tal. Vagra, Dist. Bharuch – 392130, Gujarat, certain property, plant and equipment and inventory were damaged. It also disrupted the production process and impacted the financial performance of the Company for the year ended 31 March 2021. As a result of the incident, the Company had recognised a loss of ₹ 4,932 lakhs (₹ 4,326 lakhs towards property plant and equipment, ₹ 581 lakhs towards inventories and ₹ 25 lakhs towards other expenses) as an exceptional item in the standalone financial results for FY 2020-21. The Company's assets and inventories are covered under an Insurance policy and a claim has been lodged with the Insurance company for the losses suffered. The Company has received an interim payment towards insurance claim of ₹ 400 lakhs in FY 2021-22 and stock insurance claim of ₹ 285 lakhs in December 2022. The balance claim is under assessment and the same would be accounted for when approved by the insurance company.

50. Other Statutory Information

- (i) The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (ii) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
 - (a) Crypto Currency or Virtual Currency
 - (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - (c) Registration of charges or satisfaction with Registrar of Companies
 - (d) Approved scheme(s) of Arrangements
 - (e) Number of layers of companies
 - (f) Undisclosed income
 - (g) Revaluation of PPE and intangible assets
 - (h) Title Deeds of immovable properties not held in name of the company
 - (i) Wilful defaulter

Notes forming part of the Standalone financial statements for the year ended 31 March 2023 (Contd.)

- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (v) The Company has borrowings from bank on the basis of security of current assets. The quarterly returns or statement of current assets filed by the Company with banks are in agreement with the books of accounts.
- 51** Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.
- 52** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

As per our report of even dated attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and
Wholetime Director
(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer
Membership No. 47573

Meher Vakil

Managing Director
(DIN: 07778396)

Ankit Shah

Company Secretary
Membership No. A35008

Place : Mumbai

Date : 30 May 2023



Independent Auditor's Report

To the Members of Dai-Ichi Karkaria Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Dai-Ichi Karkaria Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") and its joint venture, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Revenue Recognition	
See Note 3 (H) and Note 26 to consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
<p>Revenue is recognised when the control over the underlying products has been transferred to the customer.</p> <p>Due to the Holding Company's sales being under various contractual terms across the country and globally, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider a risk of misstatement in the Consolidated Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off).</p> <p>There is also a risk of revenue being fraudulently overstated due to pressure on the Holding Company to achieve performance targets throughout the period and towards the period end. Accordingly, fraud and cut-off risks in revenue recognition is considered as a key audit matter</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> – Focusing on the Holding Company's revenue recognition for compliance with Ind AS; – Testing the design, implementation and operating effectiveness of the Holding Company's controls on recording revenue. We focused on controls around existence of revenue; – Performing testing on selected statistical samples of revenue transactions recorded during the year. We verified terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. Our tests of detail focused on cut-off samples to verify only revenue pertaining to current year is recognised based on terms set out in sales invoices and delivery documents; – Assessing high risk journals posted to revenue to identify any unusual items.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon.

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 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. If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture 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 Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company 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 and of its joint venture are responsible for overseeing the financial reporting process of each company.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 company has adequate internal financial controls with reference to 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture 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 such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled “Other Matters” in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities 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 period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- a. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 1.39 Lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ Nil and net cash flows (before consolidation adjustments) amounting to ₹ 0.26 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

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 Section 143(11) of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statement of such subsidiary as was audited by other auditor, as noted in the “Other Matters” paragraph, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the report of the other auditor.
 - 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 maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company and joint venture company incorporated in India, none of the directors of the Group companies and joint venture company incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its joint venture. Refer Note 34 to the consolidated financial statements.
 - b. The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company and joint venture company incorporated in India during the year ended 31 March 2023.
 - d (i) The respective management of the Holding Company and its subsidiary company and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 50(iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company and joint venture company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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 company and joint venture company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective management of the Holding Company and its subsidiary company and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 50(iv) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company and joint venture company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company and joint venture company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary company and joint venture company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. As stated in Note 39 to the consolidated financial statements, the respective Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
 - f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary company and joint venture company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of subsidiary company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary company and joint venture company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company and joint venture company is not in excess of the limit laid down under Section 197 of the Act. In our opinion and according to the information and explanation given to us the joint venture is not a public company. Accordingly the provisions of Section 197 of the Act are not applicable to the Joint Venture. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Farhad Bamji
Partner

Membership No: 105234
ICAI UDIN:23105234BGXDYH1807

Place : Mumbai
Date : 30 May 2023



Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Dai-Ichi Karkaria Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company / Subsidiary/ JV Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Dai- Ichi Karkaria Limited	L24100MH1960PLC011681	Holding Company	(3)(xvii)
2	Dai-Ichi GoseiChemicals (India) Limited	U24100MH1991PLC059922	Subsidiary	(3)(xix)
3	ChampionX Dai-Ichi India Private Limited	U24110MH1990PTC055089	Joint Venture	(3)(xvii)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Farhad Bamji
Partner
Membership No: 105234
ICAI UDIN:23105234BGXDYH1807

Place : Mumbai
Date : 30 May 2023

Annexure B to the Independent Auditors' report on the consolidated financial statements of Dai-Ichi Karkaria Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Dai-Ichi Karkaria Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company as was audited by the other auditor, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 auditor's 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 auditor of the relevant subsidiary company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 financial statements insofar as it relates to one subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Farhad Bamji
Partner
Membership No: 105234
ICAI UDIN:23105234BGXDYH1807

Place : Mumbai
Date : 30 May 2023

Consolidated Balance Sheet as at 31 March 2023

(₹ in lakhs)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
A. ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	4	12,798	9,384
(b) Capital work-in-progress	4	35	205
(c) Intangible assets	4	*-	2
(d) Right to use assets	4	1,138	1,151
(e) Financial assets			
(i) Investments in Subsidiary & Joint Venture	5(a)	2,265	2,113
(ii) Other Investments	5(b)	1	1
(iii) Other non-current financial assets.....	6	409	253
(f) Deferred Tax assets (net)	7	666	1,056
(g) Non current Tax assets (net)	8	556	434
(h) Other non-current assets	9	27	33
Total non-current assets		17,895	14,632
CURRENT ASSETS			
(a) Inventories	10	1,917	2,281
(b) Financial Assets			
(i) Investments	11	15	16
(ii) Trade receivables	12	2,672	1,763
(iii) Cash and Cash Equivalents	13	572	183
(iv) Bank balances other than (iii) above	14	267	402
(v) Other financial assets	15	103	101
(c) Assets held for sale.....	4	-	54
(d) Other current assets	16	1,300	1,996
Total Current assets		6,846	6,796
Total Assets		24,741	21,428
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	17	745	745
(b) Other equity	18	16,245	14,245
Total equity		16,990	14,990
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19(a)	1,725	407
(ii) Other financial liabilities.....	19(b)	79	79
(b) Provisions	20	176	191
Total non-current liabilities		1,980	677
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	21	2,096	1,765
(ii) Trade Payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	22	79	243
Total outstanding dues to other than Micro Enterprises and Small Enterprises	22	2,733	2,734
(iii) Other financial liabilities	23	545	270
(b) Other current liabilities.....	24	184	613
(c) Provisions.....	25	134	136
Total current liabilities		5,771	5,761
Total Equity And Liabilities		24,741	21,428

* Amount below Rupees One Lakh

Notes forming part of the Consolidated financial statements

1-52

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Farhad Bamji
Partner
Membership No: 105234

For and on behalf of the Board of Directors
Dai-Ichi Karkaria Limited
CIN: L24100MH1960PLC011681

S. F. Vakil
Chairperson and
Wholetime Director
(DIN: 00002519)

Meher Vakil
Managing Director
(DIN: 07778396)

Farokh P Gandhi
Chief Financial Officer
Membership No. 47573

Ankit Shah
Company Secretary
Membership No. A35008

Place : Mumbai
Date : 30 May 2023

Place : Mumbai
Date : 30 May 2023



Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(₹ in lakhs)

Particulars	Note	Year ended 31 March, 2023	Year ended 31 March, 2022
Income			
Revenue from operations.....	26	18,394	12,184
Other income.....	27	644	439
Total income.....		19,038	12,623
Expenses			
Cost of materials consumed.....	28	11,572	8,565
Changes in inventories of finished goods, semi-finished goods and work-in-progress	29	277	355
Employee benefits expense.....	30	1,568	1,541
Finance costs.....	31	304	149
Depreciation and amortisation expense.....	32	745	680
Other expenses.....	33	3,388	3,560
Total expenses.....		17,854	14,850
Profit/(Loss) before tax and exceptional items.....		1,184	(2,227)
Exceptional items (Refer Note 49)			
Insurance claim received.....		285	400
Profit on sale of properties (Net).....		742	-
Profit/(Loss) after exceptional items and before tax		2,211	(1,827)
Tax expenses:			
Current tax.....		-	-
Income tax adjustment of earlier years.....		(66)	-
Deferred tax (Net).....		430	-
Total tax expenses		364	-
Profit/(Loss) after tax for the year		1,847	(1,827)
Share of Profit in Joint Ventures (net of tax).....		160	24
Profit/(Loss) for the year (including profit in joint venture)		2,007	(1,803)
Other comprehensive income/(expense).....			
Items that will not be reclassified to profit and loss.....			
Remeasurements of post-employment benefit obligation.....		1	(30)
Income tax related to items that will not be reclassified to profit or loss....		-	-
Share of Profit / (Loss) in Joint Ventures (net of tax).....		(8)	1
Other comprehensive income/(expense) for the year, (net of income tax)....		(7)	(29)
Total comprehensive income/(expense) for the year.....		2,000	(1,832)
Earnings per equity share Basic and Diluted (of ₹ 10/- each)	38	26.94	(24.20)

Notes forming part of the consolidated financial statements 1-52

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even dated attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and
Wholtime Director
(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer
Membership No. 47573

Meher Vakil

Managing Director
(DIN: 07778396)

Ankit Shah

Company Secretary
Membership No. A35008

Place : Mumbai

Date : 30 May 2023

DAI-ICHI KARKARIA LIMITED

Consolidated Statement of Changes in Equity as at 31 March 2023

A - Equity share capital

(₹ in lakhs)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10/- each with voting rights	10,000,000	1,000	10,000,000	1,000
Balance at the beginning of the reporting year	7,451,229	745	7,451,229	745
Changes in equity share capital during the year/period	-	-	-	-
Balance at the end of the reporting year/period	7,451,229	745	7,451,229	745

B - Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus					Items of OCI		Total other equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Share of Joint Venture	Remeasurement of Defined benefit plans	
Balance as at 1 April 2021	77	2,594	16	519	11,603	1,548	(55)	16,302
Profit/(Loss) for the year	-	-	-	-	(1,827)	24	-	(1,803)
Other Comprehensive Income/(expense) for the year (net of tax)	-	-	-	-	-	-	(29)	(29)
Total Comprehensive Income/(expense) for the year	-	-	-	-	(1,827)	24	(29)	(1,832)
Transactions with owners of the company	-	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	(224)	-	-	(224)
Balance as at 31 March 2022	77	2,594	16	519	9,552	1,572	(84)	14,245
Profit/(Loss) for the year	-	-	-	-	1,847	160	-	2,007
Other Comprehensive Income/(Expense) for the year (net of tax)	-	-	-	-	-	-	(7)	(7)
Total Comprehensive Income/(Expense) for the year	-	-	-	-	1,847	160	(7)	2,000
Balance as at 31 March 2023	77	2,594	16	519	11,398	1,732	(91)	16,245

Notes forming part of the Consolidated financial statements 1-52

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and
Wholetime Director
(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer
Membership No. 47573

Meher Vakil

Managing Director
(DIN: 07778396)

Ankit Shah

Company Secretary
Membership No. A35008

Place : Mumbai

Date : 30 May 2023



Consolidated Statement of Cash Flow for the year ended 31 March 2023

(₹ in lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
A. Cash Flow from Operating Activities:		
Profit/(Loss) after exceptional items before tax (including joint venture share)	2,371	(1,803)
<u>Adjustments for:</u>		
Depreciation and amortisation	745	680
Profit on sale of property, plant and equipments	(742)	(3)
Loss on sale of asset	20	-
Interim payment received from Insurance claim	-	400
Profit on sale of investments (net)	-	(2)
Net loss on investments at fair value through profit and loss	2	-
Dividend income	* -	* -
Interest income	(25)	(29)
Interest expenses	303	149
Inventory assets written off during the year	104	35
Provision for non-moving inventories	1	12
Provision for doubtful trade receivables	(1)	6
Bad debts/ sundry balance written off	12	125
Liabilities no longer payable written back	(24)	(86)
Share of (Profit)/Loss in joint venture	(160)	(24)
Unrealised foreign currency loss/(gain) on revaluation (net)	(11)	(8)
Subtotal of Adjustments	224	1,255
Operating Profit/(Loss) before working capital changes	2,595	(548)
Changes in working capital:		
Adjustments for increase/decrease in:		
(Increase)/Decrease in trade receivables	(818)	440
Decrease in loans, other financial assets and other assets	496	479
Decrease in inventories	259	119
(Decrease) in trade payable, other financial liabilities and other liabilities	(99)	(825)
Increase/(Decrease) in provisions	(45)	12
Subtotal of Adjustments	(207)	225
Cash generated from operations	2,388	(323)
Add: Income tax paid	(69)	(19)
Net cash generated from/(used) in operating activities	2,319	(342)
B. Cash Flow from Investing Activities:		
Purchases of property, plant and equipment	(3,629)	(1,085)
Profit on sale of property, plant and equipments (net of advance received)	326	5
Advance against asset held for sale	-	480
Proceeds from sale of investments	* -	572
Interim payment received from insurance claim	-	(400)
Investment in fixed deposit with bank	18	(26)
Dividend received	* -	* -
Interest received	27	29
Net Cash (used in) investing activities	(3,258)	(425)

Consolidated Statement of Cash Flow for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
C Cash Flow from Financing Activities:		
Repayment towards non-current borrowings (net)	-	(2)
Proceeds from non-current borrowings (net)	1,318	407
Repayment of current borrowings (net)	-	(251)
Proceeds from current borrowings (net)	330	
Dividend and corporate dividend tax paid	* -	(224)
Interest paid	(303)	(149)
Net Cash generated from/(used in) financing activities	1,345	(219)
D Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	406	(986)
E Cash and cash equivalents as at beginning of the year	183	1,159
Add: Effect of exchange differences on cash and cash equivalents held in foreign currency	(17)	10
F Cash and cash equivalents as at end of the year (D+E) (Refer note 13)	572	183

* Amount below Rupees One Lakh

Reconciliation of liabilities from financing activities	Non-current borrowing (including current portion) (a)	Current borrowings (b)	Total liabilities from financing activities (a+b)
Opening Balance (as at 1 April 2022)	407	1,765	2,172
Add : Proceeds during the year	1,318	331	1,649
Less : Repayment during the year	-	-	-
Closing Balance (as at 31 March 2023)	1,725	2,096	3,821

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows"
 - Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances) during the year.
 - Cash and cash equivalents are cash and bank balance as per balance sheet (Refer note no 13)
- As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Farhad Bamji

Partner

Membership No: 105234

Place : Mumbai

Date : 30 May 2023

For and on behalf of the Board of Directors

Dai-Ichi Karkaria Limited

CIN: L24100MH1960PLC011681

S. F. Vakil

Chairperson and

Wholetime Director

(DIN: 00002519)

Farokh P Gandhi

Chief Financial Officer

Membership No. 47573

Meher Vakil

Managing Director

(DIN: 07778396)

Ankit Shah

Company Secretary

Membership No. A35008

Place : Mumbai

Date : 30 May 2023



Notes forming part of the consolidated financial statements for the year ended 31 March 2023

1. Company overview

Dai-Ichi Karkaria Limited ('the Holding Company') is domiciled in India with its registered office situated at 3rd Floor, Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai 400 020, India. The Holding Company was incorporated on 13 May 1960 under the provisions of Indian Companies Act, 1956 and its equity shares is listed on Bombay Stock Exchange (BSE) in India. The Group is engaged in manufacturing of specialty chemicals.

The manufacturing activities of the Group are carried out from its plants located at Dahej (Gujarat) and Kurkumbh, District Pune (Maharashtra).

2. Basis of preparation

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 ('the Act') and the other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Holding Company's Board of Directors on 30 May 2023. Details of the Group's accounting policies are included in Note 3.

B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise stated.

C. Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for the following items:

Items	Measurement basis
i) Certain Financial assets and liabilities	Fair value
ii) Net defined benefit asset / (obligation)	Fair Value of plan assets less present value of defined benefit obligations

D. Current and non-current classification

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 of the Act. Based on the nature of its activities and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

E. Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group's to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Key sources of estimation of uncertainty at the date of the consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, recoverability of deferred tax assets, provision and contingent liabilities and fair value measurement of financial instruments have been discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in their respective policies.

Useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimation of the useful lives of property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and on the historical experience with similar assets. It is possible, however, that future results from operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)**Recoverability of deferred tax assets**

In determining the recoverability of deferred income tax assets, the Group primarily considers current and expected profitability of applicable operating business segments and their ability to utilize any recorded tax assets. The Group reviews its deferred income tax assets at every reporting period end, taking into consideration the availability of sufficient current and projected taxable profits, reversals of taxable temporary differences and tax planning strategies.

Fair value Measurement of financial instrument

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained in detail under note 3 (A).

Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the consolidated financial statements. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

A. Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

The Group will evaluate these amendments to give effect as required by law.

3. Significant Accounting Policies**A. Financial instruments**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition.

The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in consolidated statement of profit and loss.

The Group has made an election to present subsequent changes in the fair value of equity investments as other income in the consolidated statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group's after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net off direct issue cost.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risk and rewards of ownership of the asset to another party. On derecognition of a financial asset, the difference between assets carrying amount and the sum of consideration received or receivable or the cumulative gain or loss that had been recognised in the consolidated statement of profit and loss.

The Group derecognises financial liabilities when and only when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

B. Impairment

Financial assets (other than at fair value)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group's has computed the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)**Non-financial assets****Tangible and intangible assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

C. Property, plant and equipment / Depreciation**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, and other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in consolidated statement of profit or loss.

Capital work-in-progress:- Projects under which Property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Expenditure during construction period

Expenditure/Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as capital advances under "other non-current assets".

(iv) Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method, except few assets transferred from Kasarwadi plant to Dahej plant which continue to be depreciated using diminishing value method. Freehold land is not depreciated.

Depreciation is charged on the cost of the property plant and equipment less estimated residual value over the useful lives as per Schedule II of the Companies Act, 2013, this useful life are shown below. Depreciation on additions (disposals) is provided on pro-rata basis i.e. from (upto) the date on which the asset is ready for use (disposed-off).

Asset	Management estimate of useful life (years)
Leasehold land	Amortised over the lease period
Leasehold improvements	Amortised over lower of the lease period or 7 years
Building	3-60
Road	3-10
Plant and machinery	10-20
Furniture and fixture	10
Vehicles	8
Office equipment	3-10



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

D. Intangible assets

(i) Recognition and measurement

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in consolidated statement of profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over the estimated useful lives using the straight-line method, and is included in depreciation and amortisation in consolidated statement of profit and loss.

The estimated useful lives are as follows:

Software	6 years
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Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

E. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of raw materials are computed basis the moving average cost, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of finished products and work-in-progress, costs includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling price of related finished goods. Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

F. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group's contributions to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and is charged to the consolidated statement of profit and loss based on the amount of contribution required to be made and when services are rendered by the employee.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)**iii. Defined benefit plan**

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Re measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to consolidated statement of profit and loss. Past service cost is recognised in the consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Gratuity

The Group's liability towards Gratuity, which is a defined benefit plan, is determined on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Remeasurement of the net defined benefit liability which comprise actuarial gains and losses are recognised immediately in Other Comprehensive Income in the period in which they occur.

iv. Other long- term employee benefits – Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation determined based on percentage unit credit method with independent actuarial valuation as at the balance sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date. Remeasurements gains or losses are recognised in consolidated statement of profit or loss in the period in which they arise.

G. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision are recognised at the best estimates of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects, when appropriate, the risks specific to the liabilities.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

H. Revenue**i. Sale of goods**

Revenue is measured at the fair value of consideration received or receivable net off trade discounts, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer. Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

ii. Rendering of services

Revenue for job work services is recognised as and when services are rendered, in accordance with the terms of the contract. The amount recognised as revenue is exclusive of goods and service tax (GST) and its net of returns and trade discounts.



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

iii. Rental income

Rental income is recognised as part of other income on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

iv. Export benefits

Export benefits available under prevalent schemes are accrued when no significant uncertainty exist regarding its ultimate collection.

v. Dividend

Dividend from investment is recognised as revenue when right to receive the payments is established.

vi. Interest income

Interest income is recognised using the effective interest rate method.

I. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets or liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assets and liabilities will be realised simultaneously.

Minimum alternate tax Credit Entitlement

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The Group recognises a deferred tax asset on the MAT credit available only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Group reviews the deferred tax asset created on MAT credit entitlement asset at each reporting date and writes down the asset to the extent the Group's does not have convincing evidence that it will pay normal tax during the specified period.

J. Borrowing costs

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

K. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

L. Foreign currency transactions

In preparing the consolidated financial statements of the Group's, transactions in currencies other than the Group's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the consolidated statement of profit and loss in the period in which they arise.

M. Investment in subsidiary and joint venture

The Group's investment in its subsidiary and joint venture are carried at cost.

N. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

O. Cash flow statement

Cash flow statement Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Group's cash management.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

4. Property, plant and equipment, capital work in progress and Intangible Assets

(₹ in lakhs)

Particulars	Gross block			Accumulated depreciation/amortisation			Net Block		
	As at 1 April 2022	Additions	Deductions	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2022
A. Tangible Assets									
Buildings Residential	46	-	22	24	36	2	17	3	10
Buildings: Non Residential									
Own lease	3,625	1,632	* -	5,256	546	131	* -	4,579	3,078
Road	585	-	-	585	202	58	-	325	383
Plant & Machinery	7,793	2,507	156	10,144	2,218	513	139	7,552	5,575
Furniture & Fixtures	186	4	-	190	69	14	-	107	117
Laboratory, Office and Factory Equipment and Air conditioners	344	25	18	351	148	7	17	213	196
Vehicles	120	1	14	107	95	5	12	19	25
Total Tangible Assets	12,699	4,169	211	16,657	3,314	730	185	12,798	9,384
B. Intangible Assets									
Computer Software	38	-	-	38	36	2	-	-	2
Total	12,737	4,169	211	16,695	3,350	732	185	12,798	9,386
C. Capital Work-in-Progress (Refer note 45(C))									
								35	205
D. Right of use assets									
Leasehold land	1,233	-	-	1,233	82	13	-	1,138	1,151
								13,971	10,742

* Amount below Rupees One Lakh

Notes

1) Kindly refer note no 19 on Borrowings, for the details related to hypothecated property, plant and equipment of the Holding Company



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

4(a). Property, plant and equipment, capital work in progress and Intangible Assets (₹ in lakhs)

Particulars	Gross block			Accumulated depreciation/amortisation			Net Block As at 31 March 2022
	As at 1 April 2021	Additions	Deductions	As at 31 March 2022	For the year	Deductions	
A. Tangible Assets							
Buildings Residential	46	-	-	46	3	-	36
Buildings: Non Residential							
Own lease	3,396	229	-	3,625	155	-	546
Road	585	-	-	585	14	*	202
Plant & Machinery	7,281	512	-	7,793	465	-	2,218
Furniture & Fixtures	186	-	-	186	14	-	69
Laboratory, Office and Factory Equipment and Air conditioners	335	9	-	344	6	*	148
Vehicles	117	5	2	120	6	1	95
Total Tangible Assets	11,946	755	2	12,699	663	1	3,314
B. Intangible Assets							
Computer Software	38	-	-	38	4	-	36
Total	11,984	755	2	12,737	667	1	3,350
C. Capital Work-in-Progress (Refer note 45 (C))							205
D. Right of use assets							
Leasehold land	1,233	-	-	1,233	13	-	82
							10,742

*Amount below Rupees One Lakh

Notes

- Kindly refer note no 19 on Borrowings, for the details related to hypothecated property, plant and equipment of the Holding Company
- The Holding Company intends to dispose off its land parcel at Pune with Book Value of ₹ 54 lakhs (31 March 2021 ₹ 54 lakhs) as it no longer intends to utilise in the next 12 months. The same is classified as "Asset held for sale".
The Holding Company expects the fair value less cost to sell to be higher than the carrying amount. No impairment loss was recognised on above reclassification.



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
5 (a). Investments - Non-current		
In Equity Shares, Unquoted (at cost)		
In Subsidiary		
(i) Dai-Ichi Gosei Chemicals (India) Limited 48,500 shares (31 March 2022 : 48,500 shares)	5	5
In Joint Venture		
(ii) ChampionX Dai-ichi India Private Limited 1,125,000 shares (31 March 2022 : 1,125,000 shares).....	68	68
Add :- Shares of Profit/(Loss) in Joint Venture	2,197	2,045
	2,270	2,118
Less : Provision for diminution in value of investment - Investment in Equity Shares of Dai-Ichi Gosei Chemicals (India) Limited	(5)	(5)
Total	2,265	2,113
5 (b). Other Investments		
(a) Unquoted:		
The Zoroastrian Co-operative Bank Limited, unquoted (at fair value through profit and loss)		
4,000 shares (31 March 2022: 4,000 shares)	1	1
	1	1
6. Financial Assets - Non-current		
(Unsecured and considered good)		
To parties other than related parties		
Security Deposits	251	253
Margin Money Deposits with maturity greater than 12 months.....	158	-
Total	409	253
7. Deferred tax assets (net)		
Deferred Tax Assets		
Insurance claim receivable.....	517	953
Retirement benefits.....	71	106
Loss allowance on trade receivables.....	11	13
Bonus.....	6	13
Minimum alternate tax credit entitlement	-	42
Income tax loss.....	1,135	1,374
Others.....	6	14
Total deferred tax assets (a)	1,746	2,515
Deferred tax liabilities		
Property, plant and equipment and Intangible assets	1,078	1,015
Fair valuation of investments	2	2
Total deferred tax liabilities (b)	1,080	1,017
Net deferred tax assets (a-b).....	666	1,498
Deferred tax assets recognised (net) (Refer note 46 and 47).....	666	1,056
Note: The group had not recognised any deferred tax asset (DTA) in the previous year in absence of convincing evidence of sufficient future taxable income against which such DTA can be realised.		

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)
(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
8. Non Current Tax Assets		
(Unsecured, considered good)		
Advance Tax (Net of provision ₹.2,608 lakhs (31 March 2022 ₹ 4302 lakhs))	556	434
Total	556	434
9. Other non current assets		
(Unsecured, considered good)		
Balance with Government Authorities	4	4
Prepaid expenses	23	29
Total	27	33
10. Inventories		
(At lower of cost and net realisable value)		
Raw materials (including goods-in-transit ₹ 58 Lakhs ;31 March 2022 ₹ 93 Lakhs)	1,037	1,069
Packing material.....	28	64
Work-in-progress.....	41	50
Finished goods (including goods-in-transit ₹ 32 Lakhs; 31 March 2022 ₹ 223 Lakhs)	374	657
Semi finished goods.....	274	260
Spare and consumables.....	163	181
Total	1,917	2,281
Note: Inventories are hypothecated against cash credit facility from bank		
11. Current investments		
(a) In equity instruments (at fair value through profit and loss)		
(i) Quoted:		
2,412 shares (31 March 2022: 2,412 shares) of ₹ 10 each fully paid up in Heubach Colorants India Limited (formely known as Clariant Chemicals (India) Limited).....	6	11
8,100 shares (31 March 2022: 8,100 shares) of ₹ 10 each fully paid up in Bank of India	6	4
2,000 shares (31 March 2022: 2,000) of ₹ 2 each in Bharat Seats Limited	2	1
(ii) Unquoted		
1,000 shares (31 March 2022: 1,000 shares) of ₹ 25 each fully paid up of The Shamrao Vithal Co-operative Bank Limited	* -	* -
2,500 shares (31 March 2022: 2,500 shares) of ₹ 10 each fully paid up of The Saraswat Co-operative Bank Limited	* -	* -
Total	15	16
1) Aggregate cost of quoted investments	14	16
2) Aggregate market value of listed and quoted investments	14	16
3) Aggregate cost of unquoted investments	* -	* -
4) Aggregate cost of unquoted investments (net of diminution in value written off)	* -	* -
* Amount below Rupees One Lakh		



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
12. Trade receivables (unsecured)		
Considered good	2,672	1,763
Credit impaired	45	46
Less :- Allowance for credit impaired	(45)	(46)
Total	2,672	1,763
(i) Of the above, dues include amount due from related parties ₹ 486 lakhs (31 March 2022: ₹ 93 lakhs)		
(ii) Trade receivables include ₹ 843 lakhs (31 March 2022: ₹ 234 lakhs) due from the one customer.		
(iii) Trade receivables are hypothecated as security for borrowings		
(iv) Ageing of trade receivable is disclosed in Note 45 D for schedule III disclosure.		
13. Cash and cash equivalents		
Cash on Hand	* -	* -
Balances with Banks		
(i) In current accounts	28	100
(ii) In Exchange earners foreign currency account	451	81
(iii) Deposits with maturity of less than three months	93	2
Total	572	183
* Amount below Rupees One Lakh		
14. Bank balances other than cash and cash equivalents		
Unpaid dividend	8	15
Deposits with original maturity of more than three months but less than 12 months (Balances held as margin money against guarantees and other commitments)	259	387
Total	267	402
15. Other financial assets - current (unsecured, considered good)		
From parties other than related parties:		
Export Incentive receivable	103	101
Interest Receivable on investments and deposits	* -	* -
Total	103	101
* Amount below Rupees One Lakh		
16. Other current assets (unsecured, considered good)		
Prepaid expenses	168	263
Advance to suppliers	14	127
Advance to employees	* -	* -
Balances with government authorities		
i) Cenvat credit receivable	-	1
ii) Goods and service tax act	1,097	1,592
iii) Value added tax	* -	* -
iv) Duty drawback receivable	21	13
Total	1,300	1,996
* Amount below Rupees One Lakh		

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
17. Share capital				
(A) Authorised				
Equity shares of ₹ 10/- each with voting rights	10,000,000	1,000	10,000,000	1,000
(B) Issued, Subscribed and fully paid				
Equity shares of ₹ 10/- each with voting rights	7,451,229	745	7,451,229	745
Total	7,451,229	745	7,451,229	745

(C) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Opening balance	7,451,229	745	7,451,229	745
Add / (Less): Equity shares issued / bought back during the year	-	-	-	-
Closing Balance	7,451,229	745	7,451,229	745

(D) Details of equity shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2023		As at 31 March, 2022		% change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares with voting rights					
Mrs. S.F. Vakil (Promoter Shareholder).....	3,624,179	48.64%	3,769,179	50.58%	-1.95%

(E) There were no equity shares allotted as fully paid up pursuant to contracts without payment received in cash, there were no bonus shares allotted and there were no equity shares bought back, during the period of 5 years immediately preceding the Balance Sheet date.

(F) The Company has one class of equity shares having par value of ₹ 10/- per share.

In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

18. Other equity

	As at 31 March 2023	As at 31 March 2022
(a) Capital reserve		
Balance as at the commencement and end of the year	77	77
(b) Capital redemption reserve		
Balance as at the commencement and end of the year	16	16
(c) Securities premium account		
Balance as at the commencement and end of the year	2,594	2,594
(d) General reserve		
Balance as at the commencement and end of the year	519	519



Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(e) Retained Earnings		
Balance as at the commencement of the year.....	9,552	11,603
Add: Profit / (Loss) for the year.....	1,847	(1,827)
	<u>11,399</u>	<u>9,776</u>
Less : Dividend to equity shareholders (₹ Nil per share)	-	(224)
(Previous year ₹ 3 per share)	-	224
Balance as at the end of the year.....	<u>11,399</u>	<u>9,552</u>
(f) Share of Joint Venture		
Share in Profit in Joint Venture	<u>1,731</u>	<u>1,572</u>
(g) Other terms of other comprehensive income/(expenses)		
Balance as at the commencement of the year	(84)	(55)
Add: Remeasurement of employment benefit obligation	1	(30)
Less: Income tax related to items that will not be classified to profit or loss	(8)	1
Balance as at the end of the year.....	<u>(91)</u>	<u>(84)</u>
Total	<u>16,245</u>	<u>14,245</u>

Nature and Purpose of Reserves

- (a) Capital reserve
Any profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments is transferred to capital reserve.
- (b) Capital redemption reserve
A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of company's own shares pursuant to Section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.
- (c) Securities premium account
Securities premium reserve is credited when shares are issued at a premium. It is utilized in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting costs, etc.
- (d) General reserve
General reserve is a free reserve, which is created by transferring funds from retained earnings to be used time to time to transfer profits from retained earnings for appropriation purposes.
- (e) Retained earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to General Reserve and payment of dividend.
- (f) Other items of other comprehensive income
Other items of other comprehensive income consist of re-measurement of net defined benefit liability/asset.
- (g) Dividends declared by the Group are based on profits available for distribution. During financial year 2021-22 Holding Company has paid final dividend of ₹ 3 per share in respect of the year ended 31 March 2021.

19 (a). Non - current financial liabilities - borrowings

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Term loans from banks - Secured	1,521	133
(b) Working capital term loan from banks- Secured	204	274
Total	<u>1,725</u>	<u>407</u>

Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

Note (i)

The term loan from Axis Bank is secured by:

- a) First pari-passu charge by way of hypothecation/mortgage of entire movable and immovable property, plant and equipment of the Company, both present and future at Dahej, Kurkumbh and Ceejay House
- b) Second pari-passu charge by way of hypothecation charge on entire current assets of the Company, including inventories and trade receivables, both present and future.
- c) Escrow of monthly rental to be received from Ceejay House, property, Worli, Mumbai.
- d) Rate of interest payable is REPO + 4.5%
- e) Term loan was applied for the purpose for which the loan was obtained
- f) Bank returns / stock statements filed by the Company with its bankers are in agreement with books of account.

The working capital term loan from Axis Bank is secured by:

- a) Second charge on Primary and Collateral Securities as above
- b) Rate of interest payable is REPO + 4.5%

Axis Bank term loan and working capital repayment schedule

(₹ in lakhs)

Particulars	Total No of Installment	Outstanding Nos of Installment	Monthly Installment	Principal Loan amount
Term loan				
Financial Year 2023-24	8	8	46.25	378
Financial Year 2024-25	12	12	46.25	555
Financial Year 2025-26	12	12	46.25	555
Financial Year 2026-27	9	9	46.25	428
				1,916
Working capital term loan				
Financial Year 2023-24	12	12	5.83	70
Financial Year 2024-25	12	12	5.83	70
Financial Year 2025-26	12	12	5.83	70
Financial Year 2026-27	11	11	5.83	64
				274

Note (ii)

Loan from Director of ₹ 320 lakhs carries interest rate of 8.50 % per annum.

Note (iii)

The Holding Company has not defaulted on repayment of interest and loans as at the balance sheet date.

Note (iv)

Current maturities of long term borrowings

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
- Term loans from banks and others.....	465	7
19 (b) Non - current financial liabilities - others		
Security Deposit.....	75	68
Deferred rent.....	4	11
Total	79	79
20. Provision - non current		
Provision for Employee Benefits		
Gratuity.....	38	69
Compensated absences	110	122
Provision for taxation	28	-
Total	176	191



Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

Particulars	(₹ in lakhs)	
	As at 31 March 2023	As at 31 March 2022
21. Current financial liabilities- borrowings		
Loan From director (Refer note 41).....	346	321
Cash credit (secured)	<u>1,285</u>	<u>1,437</u>
Total	<u>1,631</u>	<u>1,758</u>
Current maturities of long term borrowings		
- Term loans from banks & others (Refer note 19 (a) for repayment schedule)	<u>465</u>	<u>7</u>
	<u>2,096</u>	<u>1,765</u>
22. Trade payables- Current		
i) Total outstanding dues of micro enterprises and small enterprises (Refer note below)	79	243
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 41 for related party transactions)	<u>2,733</u>	<u>2,734</u>
Total	<u>2,812</u>	<u>2,977</u>
Note		
Ageing of trade payable is disclosed in Note 45 B for schedule III disclosure. Micro enterprises and small enterprises Information in respect of micro, small and medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company. The following disclosures are made for the amounts due to the micro, small and medium enterprises:		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	79	243
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of the delay in making payment (which have been paid but beyond the appointed date during the year but without adding the interest specified under the MSMED Act	21	8
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	21	2
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.		
23. Other financial liabilities - current		
Unpaid dividends**	8	15
Interest accrued but not due on Term Loan	* -	-
Employee benefits payable	<u>224</u>	<u>244</u>
Security deposits	<u>4</u>	<u>4</u>
Payables on purchase of property, plant and equipment	<u>302</u>	<u>1</u>
Deferred rent	<u>7</u>	<u>6</u>
Total	<u>545</u>	<u>270</u>

** There are no amounts due for payment to the Investor education and protection fund ("IEPF") under Section 125 of the Companies Act, 2013.

* Amount below Rupees One Lakh

Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
24. Other current liabilities		
Advance from customers	127	30
Advance for Asset held for Sale (Refer note 4).....	-	480
Payable to statutory authorities	57	103
Total	184	613
25. Provisions - current		
Provision for Employee Benefits		
Gratuity	54	51
Compensated Absences.....	80	85
Total	134	136
26. Revenue from operations		
	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Sale of products	18,074	11,945
(b) Sale of services (Job work)	4	4
(c) Other operating revenues (Refer Note (i) below)	316	235
Total	18,394	12,184
Note i		
(i) Other operating revenues comprises:		
Scrap sales	307	217
Others	9	18
Total	316	235

Note: Ind AS 115 – Revenue from Contracts with Customers

(A) The Group is primarily in the business of manufacture and sale of specialty chemicals. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The group has a credit evaluation policy based on which the credit limits for the trade receivables are established, the group does not give significant credit period resulting in no significant financing component.

(B) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in lakhs)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customer as per Contract price	17,965	12,070
Less: Discounts and other adjustments	298	(96)
Less:- Sales Returns /Credits/ Reversals	(189)	(29)
Revenue from contract with customer as per statement of profit & loss	18,074	11,945

Disaggregation of Revenue - Revenue from major products

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
R-54560	4,098	1,359
Lubimax 2591	1,025	1
R-55164.91R	995	-
Noigen Ba 55	833	384
R-54748	826	252
WCP 1528	627	-
Others	9,670	9,949
	18,074	11,945



Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
27. Other income		
Interest income - others (Refer Note (i) below)	25	29
Dividend income from		
-Others	* -	* -
Profit on sale of investments.....	-	2
Profit on revaluation of investments.....	-	* -
Export Incentive.....	191	90
Rent Received.....	124	124
Profit on sales of property, plant and equipment.....	-	3
Other non-operating Income (Including exchange gain) (Note (ii)).....	304	191
Total	644	439
Note (i) Interest income comprises:		
Interest from banks on deposits	24	20
Others interest (Interest on value added tax refund)	* -	9
Total	25	29
Note (ii) Other non-operating Income		
Net gain on foreign currency transactions and translation.....	280	100
Liabilities no longer payable written back.....	24	86
Miscellaneous receipts.....	* -	5
Total	304	191
* Amount below Rupees One Lakh		
28. Cost of materials consumed		
Opening Stock.....	1,133	1,008
Add : Purchases.....	11,504	8,690
Less : Closing Stock.....	(1,065)	(1,133)
Total	11,572	8,565
Raw Materials consumed comprises of the following :		
Fatty Alcohol, Phenol & Glycol	3,236	1,194
Ethylene Oxide	1,544	1,596
Solvents	1,318	219
Oils & Fatty Acids	480	391
Acrylamide	260	336
Amines	89	177
Other items	4,645	4,652
Total	11,572	8,565
29. Changes in inventories of finished goods, Semi finished goods and work-in-progress		
<u>Inventories at the end of the year</u>		
Finished goods	374	657
Semi finished goods	274	260
Work-in-progress	41	50
	690	967
<u>Inventories at the beginning of the year</u>		
Finished goods	657	852
Semi finished goods	260	444
Work-in-progress.....	50	26
	967	1,322
Net decrease	277	355

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
30. Employee Benefits Expense		
Salaries, wages and bonus	1,380	1,367
Contribution to provident and other funds.....	101	96
Staff welfare expenses	87	78
Total	1,568	1,541
31. Finance costs		
Interest expenses - On borrowings	215	84
- Others	89	65
Total	304	149
32. Depreciation and amortisation expense		
Depreciation on Property, plant and equipment	743	676
Amortisation of intangible asset	2	4
Total	745	680
33. Other expenses		
Consumption of stores and spare parts	61	66
Power and fuel	941	710
Repairs to plant and machinery	2	6
Repairs to others	125	153
Effluent treatment expenses.....	36	16
Job work charges	2	424
Insurance	229	282
Rates and taxes, excluding, taxes on income	47	68
Traveling expenses	70	66
Legal and professional fees	126	151
Payment to auditors.....		
Audit fees	20	20
Tax audit	4	4
Other services (Limited review)	15	15
Out of pocket expenses	1	* -
Freight and forwarding on sales	846	610
Commission on sales	58	56
Contract labour charges	360	323
Directors' fees	12	11
Donation	1	-
Security charges	63	63
Loss of sale of asset	20	-
Provision for non-moving inventory	1	12
Inventory assets written off during the year	104	35
Loss on revaluation of investments	2	-
Fire related expenses	35	129
Bad debts written off	-	125
Provision for doubtful trade receivables	-	6
Miscellaneous expenses	207	209
Total	3,388	3,560

* Amount below Rupees one lakh.



Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

34. Contingent Liabilities and Capital Commitments

a) Contingent Liabilities

(₹ in lakhs)

Sr. No	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Claims against the Holding Company not acknowledged as debt: Octroi (classification of raw materials)* *Includes ₹.142 lakhs (31 March 2022: ₹. 142 lakhs) for which bank guarantee has been given and shown under note below 34 (a)(vi)	243	243
(ii)	Disputed income tax demands in respect of deductions/disallowances for earlier years pending with appellate tribunals (Determination of nature of receipt)	30	30
(iii)	Disputed income tax demands in respect of deductions/disallowances for earlier years pending with income tax authorities	623	623
(iv)	Disputed sales tax demands for set off claimed	15	15
(v)	Service tax (Dispute on availment of cenvat on exempt goods)	54	86
(vi)	Guarantees issued to others by bank secured by counter guarantee of the Holding Company and by charge on the property, plant and equipment, inventories and trade receivables of the company	328	347
(vii)	Bond for availing duty exemption under exemption entitlement certificate Scheme	89	109
(viii)	Bond for availing duty benefit under manufacture and other operations in warehouse regulation scheme	300	-
(ix)	Group's share of Bonds for availing duty exemption under exemption entitlement certificate scheme (pertaining to 50% Joint Venture - Champion X Dai-ichi India Private Limited)	823	823
(x)	Group's share of Central Sales Tax Demands (pertaining to 50% Joint Venture - Champion X Dai-ichi India Private Limited)	195	195
(xi)	Group's share of Income Tax Demand (pertaining to 50% Joint Venture - Champion X Dai-ichi India Private Limited)	3	3
(xii)	Groups share of performance guarantee issued to others by Bank (pertaining to 50% Joint Venture - Champion X Dai-ichi India Private Limited)	119	44
	Total	2,822	2,518

b) Capital Commitments

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets - Property, plant and equipment (net of advances)	4	336

35. Details on derivative instruments and unhedged foreign currency exposures

- I. There were no outstanding forward exchange contracts entered into by the Group during the financial year and outstanding as at 31 March 2023 ₹ Nil (31 March 2022 : ₹ Nil)
- II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at 31 March 2023		As at 31 March 2022	
	(INR in Lakhs)	(USD in lakhs)	(INR in Lakhs)	Foreign Currency in lakhs
Receivables	1794	USD 21.88	769	USD 10.33
(Payables)	(175)	USD 2.13	(250)	USD 3.24
(Payables)	* -	CHF 0.01	(23)	CHF 0.29

Note: Receivables includes balance of Exchange Earner Foreign Currency Account

*Amount below Rupees One Lakh

Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

36. Corporate Social Responsibility expenditure

Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Holding Company for the year ended 31 March 2023.

37. Disclosure of Employee Benefits as per Indian Accounting Standard 19 is as under:

i) Defined contribution plans:

The Group makes contributions towards provident fund and Employees State Insurance Scheme Contributions which are defined benefit contribution plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The provident fund plan is operated by the Government administered employee provident fund. Eligible employees receive the benefits from the said Provident Fund. Both the employees and the Group make monthly contribution to the Provident Fund plan equal to a specific percentage of the covered employee's salary. The Group has no obligations other than to make the specified contributions.

The Group has recognised the following amounts in the consolidated statement of Profit and Loss (₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Contribution to Provident Fund	85	81
- Contribution to Employee State Insurance Corporation	* -	* -
Total	85	81

* Amount below Rupees One Lakh

ii) Defined benefit plan:

The Group earmarks liability towards funded Group Gratuity and provides for payment to vested employees as under:

a) On Normal retirement/ early retirement/ withdrawal/resignation:

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

b) On death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The Group also provided for protected Gratuity calculated based on additional 15 days of service for all employees upto 1 December 2003.

The Group has established an income tax approved irrevocable trust fund to which it regularly contributes to finance liabilities of the plan. The fund's investments are managed by insurance company as per the mandate provided to them by the trustees and the asset allocation is within the permissible limits prescribed in the insurance regulations.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2023 by an independent actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at 31 March 2023

(₹ in lakhs)

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
i)	Reconciliation in present value of obligations (PVO) – defined benefit obligation :		
	Current Service Cost	12	11
	Interest Cost	10	9
	Actuarial (gain)/losses	(2)	31
	Benefits paid	(38)	(36)
	PVO at the beginning of the year	185	171
	PVO at end of the year	168	185
ii)	Change in fair value of plan assets		
	Expected return on plan assets	4	5
	Return on plan assets.....	(1)	1
	Contributions by the employer.....	42	13
	Benefits paid.....	(38)	(36)
	Fair value of plan assets at beginning of the year.....	79	96
	Fair value of plan assets at end of the year.....	86	79



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
iii)	Analysis of Defined Benefit Obligation :		
	Defined Benefit Obligation at the end of the year	168	185
	Provision for protected gratuity.....	10	14
	Fair Value of Plan assets at the end of the year	86	79
	Current / Non current classifications		
	Current	54	51
	Non current	38	69
	Total	92	120
iv)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of year.....	168	185
	Provision for protected gratuity.....	10	14
	Fair Value of plan assets.....	86	79
	Funded status.....	86	79
	Net liability recognised in the balance sheet.....	92	120
v)	Expense recognised in the statement of profit or loss:		
	Current Service cost	12	11
	Net interest.....	6	4
	Expense recognised in the statement of profit or loss.....	18	15
vi)	Other comprehensive income (OCI):		
	Actuarial Loss/(Gain) recognised for the period.....	(2)	31
	Return on plan assets excluding interest income.....	1	(1)
	Total actuarial Loss/(Gain) recognised in OCI.....	(1)	30
vii)	Assumption used in accounting for the gratuity plan:		
	Discount rate (%).....	7.29%	5.66%
	Expected return on plan assets.....	7.29%	5.66%
	Salary escalation rate (%).....	7.00%	7.00%
	Attrition.....	21.8%	21.80%
	Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The amounts of the present value of the obligation and experience adjustment arising on plan liabilities are as below :

(₹ in lakhs)

Experience adjustments	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Gratuity					
Expected gain / (loss) adjustments on plan liabilities	4	(33)	20	8	34
Experience gain / (loss) adjustments on plan assets	(1)	1	3	(12)	(7)
Defined Benefits at the end of the year	168	185	171	192	257
Plan Assets at the end of the year	86	79	96	105	172
Funded status Deficit	(92)	(107)	(75)	(87)	(84)
Contribution expected to be paid to the plan during next financial year	53	51	45	48	30

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

Sensitivity Analysis

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Delta Effect of +1% Change in Rate of Discounting	(4)	(4)
Delta Effect of -1% Change in Rate of Discounting	4	4
Delta Effect of +1% Change in Rate of Salary Increase	3	4
Delta Effect of -1% Change in Rate of Salary Increase	(3)	(4)
Delta Effect of +1% Change in Rate of Employee attrition	* -	* -
Delta Effect of -1% Change in Rate of Employee attrition	* -	* -

* Amount below Rupees One Lakh

38. Earnings per share (EPS)

(₹ in lakhs)

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
Profit/(Loss) after tax attributable to equity shareholders	₹ in lakhs A	2,007	(1,803)
Weighted average number of equity shares outstanding during the year	Nos. B	7,451,229	7,451,229
Basic and diluted earnings per equity share	In ₹ (A / B)	26.94	(24.20)
Face value per equity share	In ₹	10	10

39. Dividend paid and proposed:

Dividends on equity shares were declared and paid by the Group during the year

(₹ in lakhs)

Particulars	Dividend Per Equity Shares (₹)	Year ended 31 March 2023	Dividend Per Equity Shares (₹)	Year ended 31 March 2022
Final Dividend on Equity Shares	-	-	3.00	224
Total	-	-	-	224

The Board of Directors of the Holding Company at the meeting held on 30 May 2023 recommended a dividend of ₹ 4 per share (previous year ₹ Nil per share) subject to approval of the members at the ensuing Annual General Meeting.

40. Segment Reporting

The Company's management, pursuant to 'Ind AS 108 – Operating Segments' has concluded that the Company has only one reportable segment which is specialty chemicals. Accordingly, no separate disclosures of segment information have been made.

41. Related party disclosures

Description of relationship	Names of related parties
(i) Ultimate Holding Company	
(i) Subsidiary	Dai-ichi Gosei Chemicals (India) Limited (DGCIL)
(ii) Jointly controlled entities (JCE)	ChampionX Dai-ichi India Private Limited (CXDI)
(iii) Key Management Personnel (KMP)	i) Mrs. S. F. Vakil - Chairperson and Managing Director (SFV) - (w.e.f. from 1st April 2023 - Chairperson and Wholetime Director)
	ii) Ms. Meher F. Vakil - COO- Daughter of Managing Director (MFV) (w.e.f. from 1st April 2023 - Managing Director)
	iii) Mr. A H Jehangir (AHJ)
	iv) Mr. Kavas Patel (Independent Director) (KP)
	v) Mr. Keki Elavia (Independent Director) (KE)
	vi) Mr. Ashok V. Hiremath (Independent Director) (AVH)
	vii) Mr. Shailesh Chauhan (Chief Financial Officer) (SC) upto 31 October 2021
	viii) Mr Farokh P Gandhi (Chief Financial Officer) (FG)w.e.f 1 November 2021
	ix) Mr. Ankit P Shah (Company Secretary) (AS)



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(iv) Relatives of KMP	i) Mr. Firoze Adi Vakil - Husband of Managing Director SFV (FAV)
	ii) Mr. Jahangir F. Vakil - Son of Managing Director SFV (JFV)
	iii) Mrs. P. R. Mehta -Sister of Managing Director SFV (PRM)
	iv) Mr. Matthew I. Taff - Husband of Ms. Meher F Vakil (MT)
(v) Entities in which KMP / Relatives of KMP can exercise significant influence	i) Indian Oxides & Chemicals Limited (IOCL)
	ii) Rose Investments Limited (RIL),
	iii) General Pharmaceuticals Pvt. Ltd. (GPPL)
	iv) Netel (India) Limited (NIL)
	v) Neterwala Consulting & Corporate Services Limited (NCCL)
	vi) Chemicals and Ferro Alloys Pvt. Ltd (CFAPL)
	vii) Uni Klinger Limited (UKL)
	viii) Natch Products & Services Pvt. Ltd. (NPSPL)
(vi) Enterprises over which director can exercise significant influence	i) Maneckji & Shirinbai Neterwala Foundation (MSNF)

(₹ in lakhs)

Particulars	Subsidiaries (DGCIL)	JCE (CXDI)	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP can exercise significant influence	Enterprises over which director can exercise significant influence	Total
Purchase of goods:							
CXDI	-	70	-	-	-	-	70
	-	-	-	-	-	-	-
IOCL	-	-	-	-	185	-	185
	-	-	-	-	(136)	-	(136)
GPPL	-	-	-	-	64	-	64
	-	-	-	-	(57)	-	(57)
UKL	-	-	-	-	37	-	37
	-	-	-	-	(12)	-	(12)
Sale of goods:							
CXDI	-	1,219	-	-	-	-	1,219
	-	(716)	-	-	-	-	(716)
GPPL	-	-	-	-	21	-	21
	-	-	-	-	(24)	-	(24)
IOCL	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Sale of Property							
IOCL	-	-	-	-	321	-	321
	-	-	-	-	-	-	-
Rendering of services/ Reimbursement of expenses:							
CXDI	-	12	-	-	-	-	12
	-	(12)	-	-	-	-	(12)
IOCL	-	-	-	-	7	-	7
	-	-	-	-	(12)	-	(12)
Receiving of services/ Reimbursement of expenses:							
SFV	-	-	2	-	-	-	2
	-	-	(1)	-	-	-	(1)
MFV	-	-	7	-	-	-	7
	-	-	(3)	-	-	-	(3)

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)
(₹ in lakhs)

Particulars	Subsidiaries (DGCIL)	JCE (CXDI)	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP can exercise significant influence	Enterprizes over which director can exercise significant influence	Total
NPSPL	-	-	-	-	-	-	-
	-	-	(2)	-	-	-	(2)
NIL	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Rent :							
SFV	-	-	31	-	-	-	31
	-	-	(30)	-	-	-	(30)
Interest Paid:							
SFV	-	-	28	-	-	-	28
	-	-	(13)	-	-	-	(13)
Remuneration :							
SFV	-	-	254	-	-	-	254
	-	-	(226)	-	-	-	(226)
MFV	-	-	145	-	-	-	145
	-	-	(144)	-	-	-	(144)
SC (upto 31 Oct 2021)	-	-	-	-	-	-	-
	-	-	(31)	-	-	-	(31)
FG (w.e.f 1 Nov 2021)	-	-	62	-	-	-	62
	-	-	(24)	-	-	-	(24)
AS	-	-	20	-	-	-	20
	-	-	(17)	-	-	-	(17)
Directors' Sitting Fees :							
AHJ	-	-	2	-	-	-	2
	-	-	(1)	-	-	-	(1)
KP	-	-	3	-	-	-	3
	-	-	(3)	-	-	-	(3)
KE	-	-	3	-	-	-	3
	-	-	(3)	-	-	-	(3)
AVH	-	-	3	-	-	-	3
	-	-	(3)	-	-	-	(3)
Dividend received :							
CXDI	-	-	-	-	-	-	-
	-	(169)	-	-	-	-	(169)
Deposit Given							
SFV	-	-	-	-	-	-	-
Loan Taken :							
SFV	-	-	-	-	-	-	-
	-	-	(200)	-	-	-	(200)
Loan Repaid :							
SFV	-	-	-	-	-	-	-
	-	-	(625)	-	-	-	(625)
Balances outstanding at the end of the year							
Investments :							
CXDI	-	68	-	-	-	-	68
	-	(68)	-	-	-	-	(68)



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

Particulars	Subsidiaries (DGCIL)	JCE (CXDI)	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP can exercise significant influence	Enterprizes over which director can exercise significant influence	Total
Trade receivables:							
CXDI	-	478	-	-	-	-	478
	-	(81)	-	-	-	-	(81)
IOCL	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
GPPL	-	-	-	-	7	-	7
	-	-	-	-	(12)	-	(12)
Deposits for office :							
SFV	-	-	32	-	-	-	32
	-	-	(32)	-	-	-	(32)
Loan Taken :							
SFV	-	-	-	-	-	-	-
	-	-	(321)	-	-	-	(321)
Trade payable :							
CXDI	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
IOCL	-	-	-	-	117	-	117
	-	-	-	-	(214)	-	(214)
UKL	-	-	-	-	10	-	10
	-	-	-	-	(3)	-	(3)
NIL	-	-	-	-	*_	-	*_
	-	-	-	-	-	-	-
GPPL	-	-	-	-	-	-	-
	-	-	-	-	(16)	-	(16)
CFAPL	-	-	-	-	*_	-	*_
	-	-	-	-	-	-	-
MFV	-	-	*_	-	-	-	*_
	-	-	-	-	-	-	-

* Amount below Rupees One Lakh

Note: Figures in bracket relate to the previous year

(₹ in lakhs)

Payment of sitting fees to Independent directors	Year ended 31 March 2023	Year ended 31 March 2022
Sitting fees	12	11

Key management personnel compensation

Key management personnel compensation comprised the following :

(₹ in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Post-employment benefits	41	40
Other long-term benefits	79	76

Based on the recommendation of the Nomination and Remuneration committee, all decisions relating to the remuneration of the directors are taken by the Board of Directors of the Group, in accordance with shareholders' approval, wherever necessary.

All other related party transactions are made in the normal course of business and on terms equivalent to those that prevail in an arm's length transactions.

Note : Figures in the brackets are the corresponding figures of the previous year.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

42. Interest in joint ventures

(₹ in lakhs)

Name and country of incorporation	% of interest / ownership	Amount of interest based on accounts for the year ended 31 March 2023					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
ChampionX Dai-ichi India Private Limited	50	2,858	2,858	1,882	1,661	1,140	-
Previous year	50	2,487	2,487	1,562	1,523	1,065	-

43. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The Group uses the following hierarchic structure of valuation methods to determine and disclose information about the fair value of financial instruments:

Level 1: inputs to valuation are quoted (unadjusted) prices in active markets for identical assets and liabilities;

Level 2: inputs to valuation are other than quoted prices included in level 1 that are observable for asset or liability, either directly or indirectly;

Level 3: inputs are not based on observable market data. Fair value are determined in whole or in part using a valuation model based on assumption that are either supported by prices from observable current market transaction in the same instruments nor are they based on available market data.

The carrying value of financial instruments by categories is as follows :

(₹ in lakhs)

	As at 31st March 2023							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	572	572	-	-	-	-
Other bank balances	-	-	267	267	-	-	-	-
Current investments	15	-	-	15	15	-	-	15
Non current investments (other than in subsidiary and joint venture)	-	-	1	1	-	-	-	-
Financial Assets - Non-current	-	-	409	409	-	-	-	-
Trade receivables	-	-	2,672	2,672	-	-	-	-
Other current financial assets	-	-	103	103	-	-	-	-
	15	-	4,024	4,039	15	-	-	15
Financial liabilities								
Non current borrowings (Including current maturity of long term debts)	-	-	1,725	1,725	-	-	-	-
Current borrowings	-	-	2,096	2,096	-	-	-	-
Other non current financial liabilities	-	-	79	79	-	-	-	-
Trade payables	-	-	2,812	2,812	-	-	-	-
Other current financial liabilities	-	-	545	545	-	-	-	-
	-	-	7,257	7,257	-	-	-	-



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(₹ in lakhs)

	As at 31st March 2022							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	183	183	-	-	-	-
Other bank balances	-	-	402	402	-	-	-	-
Current investments	16	-	-	16	16	-	-	16
Non current investments (other than in subsidiary and joint venture)	-	-	1	1	-	-	-	-
Financial assets - Non current loans	-	-	253	253	-	-	-	-
Trade receivables	-	-	1,763	1,763	-	-	-	-
Other current financial assets	-	-	101	101	-	-	-	-
	16	-	2,704	2,720	16	-	-	16
Financial liabilities								
Non current borrowings (Including current maturity of long term debts)	-	-	407	407	-	-	-	-
Current borrowings	-	-	1,765	1,765	-	-	-	-
Other Non-Current financial liabilities	-	-	79	79	-	-	-	-
Trade payables	-	-	2,977	2,977	-	-	-	-
Other current financial liabilities	-	-	270	270	-	-	-	-
	-	-	5,498	5,498	-	-	-	-

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables, cash credit and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair value

a) The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date.

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)**i. Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

Trade receivables are consisting of a large number of customers. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

At 31 March 2023, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
India	1,329	995
Other regions	1,343	768
	2,672	1,763

Impairment

At 31 March 2023, the ageing of trade and other receivables that were not impaired was as follows. (₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
Neither past due nor impaired		
Past due 1-180 days	2,672	1,660
Past due more than 180 days	-	103
	2,672	1,763

Management believes that the un-impaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	46	39
Impairment loss recognised	-	7
Amounts written off / (back)	(1)	-
Balance as at the end of the year	45	46

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The majority of the Group's Trade receivables are due for maturity within 60 days from the date of billing to the customer. Further, the general credit terms for Trade payables are approximately 45 days. The difference between the above mentioned credit period provides sufficient headroom to meet the short-term working capital needs for day-to-day operations of the Group. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

31 March 2023	Contractual cash flows						
	Carrying amount	Total	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th year	Due in 5th year
Non-derivative financial liabilities							
Term loan from bank	1,916	1,916	378	555	555	428	-
Working capital term loan	274	274	70	70	70	64	-
Working capital loans from banks	1,285	1,285	1,285	-	-	-	-
Loan From director	346	346	346	-	-	-	-
Trade payables	2,812	2,812	2,812	-	-	-	-
Other Current financial liabilities	545	545	545	-	-	-	-
31 March 2022	Carrying amount	Total	Due in 1st year	Due in 2nd year	Due in 3rd year	Due in 4th year	Due in 5th year
Non-derivative financial liabilities							
Term loan from bank	133	133	-	133	-	-	-
Working capital term loan	280	280	6	70	70	70	64
Vehicle loan from bank	1	1	1	-	-	-	-
Working capital loan from banks	1,437	1,437	1,437	-	-	-	-
Loan From director	321	321	321	-	-	-	-
Trade payables	2,977	2,977	2,977	-	-	-	-
Other current financial liabilities	270	270	270	-	-	-	-

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Group's interest rate risk arises from borrowings and fixed income securities. Fixed income securities exposes the Group to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
Fixed-rate instruments		
Financial liabilities - vehicle loan and loan from director	346	322
	346	322
Variable-rate instruments		
Financial liabilities - term loan, working capital demand loan and cash credit	(3,475)	(1,850)
	(3,475)	(1,850)
Total	(3,129)	(1,528)

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

Fair value sensitivity analysis for variable rate instruments

(₹ in lakhs)

INR	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2023				
Variable-rate instruments	(35)	35	(26)	26
Cash flow sensitivity (net)	(35)	35	(26)	26
31 March 2022				
Variable-rate instruments	(19)	19	(13)	13
Cash flow sensitivity (net)	(19)	19	(13)	13

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

44. Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio at 31 March 2023 was as follows

(₹ in lakhs)

	As at 31 March 2023	As at 31 March 2022
Total Borrowing	3,821	2,172
Less : Cash and cash equivalent	572	183
Adjusted net debt	3,249	1,989
Total equity	16,990	14,990
Net debt to equity ratio	0.19	0.13

45. Additional Regulatory information

A Ratios

Particulars	Numerator	Denominator	Current year	Previous year	% Change	Reason for variance
Current ratio (in times)	Total current Asset	Total current liabilities	1.19	1.18	1%	
Debt-Equity ratio (in times)	Debt consist of borrowings	Total equity	0.22	0.14	55%	Current year debt has increased on account of term loan drawdown
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non cash Operating expenses + Interest + Other non cash adjustments	Debt service = Interest payment & principal repayment during the year	10.1	(5.9)	-270%	Current year due to profit the Debt service coverage ratio has improved
Return on equity ratio (in %)	Profit/(Loss) for the year	Total equity	12%	-12%	-198%	The ratio was higher due to Net Profit in Current year



Notes forming part of the consolidated financial statements for the year ended 31 March 2023(Contd.)

Inventory turnover ratio (in times)	Cost of raw material consumed + Changes in inventories	Average inventory	5.6	3.8	50%	Growth in revenue and inventory optimisation improved inventory turnover ratio
Trade receivables turnover ratio (in times)	Revenue from Operations	Average trade receivables	8.3	5.9	41%	Trade receivable turnover ratio is higher due increase in production activity
Trade payables turnover ratio (in times)	Cost of goods sold	Average trade payables	4.0	2.5	60%	Trade payable turnover ratio is higher due increase in production activity
Net capital turnover ratio (in times)	Revenue from Operations	Working capital (ie Total current assets less Total current liabilities)	17.1	11.8	45%	Ratio has improved due to increase in turnover
Net profit ratio (in %)	Profit/(Loss) for the year	Revenue from operations	10%	-15%	-167%	Current year due to profit from operations the ratio has improved
Return on capital employed (in %)	Profit before tax and finance costs	Closing capital employed = Net worth + Current and Non Current Borrowings	12%	-10%	-224%	Current year due to profit from operations the ratio has improved
Return on investment (in %)	Income generated from invested funds	Invested funds in treasury investments	6%	5%	9%	

B Trade payable aging schedule :

a) As at 31-March-2023

(₹ 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 year	
i) MSME	29	47	-	2	1	79
ii) Others trade payables	1,237	1,471	8	7	10	2,733
iii) Disputed MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,266	1,518	8	9	11	2,812

b) As at 31-March-2022

(₹ 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 year	
i) MSME	61	180	-	1	1	243
ii) Others trade payables	1,038	1,525	100	39	32	2,734
iii) Disputed MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,099	1,705	100	40	33	2,977

* Amount below Rupees One Lakh

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

C Capital work in progress aging schedule :

a) As at 31-March-2023

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 year	
Projects in progress	35	-	-	-	35
Projects temporarily suspended	-	-	-	-	-
Total	35	-	-	-	35

No projects are overdue or has exceeded its cost as per original plan as on date of balance sheet

b) As at 31-March-2022

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 year	
Projects in progress	205	-	-	-	205
Projects temporarily suspended	-	-	-	-	-
Total	205	-	-	-	205

No projects are overdue or has exceeded its cost as per original plan as on date of balance sheet

D Trade receivable aging schedule :

a) As at 31-March-2023

(₹ in lakhs)

Particulars	Outstanding for following period from due date of payments						Total
	Not Due	Less than 6 months	6 months < 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) Undisputed - considered good	1,598	1,074	-	-	-	-	2,672
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	2	2	-	21	11	9	45
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
	1,600	1,076	-	21	11	9	2,717
Less : Allowance for doubtful trade receivables							(45)
							2,672



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

b) As on 31-March 2022

(₹ in lakhs)

Particulars	Outstanding for following period from due date of payments						
	Not Due	Less than 6 months	6 months < 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed - considered good	822	838	103	-	-	-	1,763
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	2	6	5	14	17	2	46
iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-
	824	844	108	14	17	2	1,809
Less : Allowance for doubtful trade receivables							(46)
							1,763

46. Income Taxes

(A) Components of Income Tax Expenses

(i) Tax Expense recognised in Consolidated profit and loss

(₹ in lakhs)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
Current period	-	-
Total Current tax expense		
Income tax adjustment of earlier years	(66)	
Deferred tax	390	
Current period	-	-
Derecognition of Minimum Alternate Tax credit entitlement	40	
Total deferred tax expense	430	
Tax expense for the year	364	

(ii) Tax recognised in other comprehensive income

(₹ in lakhs)

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	1	-	1	(30)	1	(29)
	1	-	1	(30)	1	(29)

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

(B) Reconciliation of effective tax rate

(₹ in lakhs)

	(%)	For the year ended 31 March 2023	(%)	For the year ended 31 March 2022
Profit/(Loss) before tax		2,211		(1,827)
Tax using the group's domestic tax rate (Current year 25.17% and Previous year 27.8%)	25.17%	556	27.8%	(508)
Tax effect of:				
Decrease in substantially enacted tax rate				
Unrecongised deferred tax assets		70		-
Tax effect of dividend income (Section 80 M)		-		442
Others	-	-		47
	-	(236)		19
	-	390		-

The Group's domestic tax rates for the years ended 31 March 2023 is 25.17% and 31 March 2022 was 27.8%.

Based on the evaluation of the management the company has opted to avail the choice new regime under section 115BA of reduced tax rate from the current financial year ie FY 2022-23; resulting into tax saving on account of absorption of previous year losses.

47. Income Taxes

(₹ in lakhs)

(C) Movement in deferred tax assets and liabilities

	31 March 2023					
	Net balance 1 April 2022	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred Tax Liabilities:						
Property, plant and equipment and Intangible assets	(969)	(109)	-	(1,078)	-	(1,078)
Investment	(2)	-	-	(2)	-	(2)
Deferred Tax Assets:						
Insurance claim adjusted in tax (written down value)	1,064	(547)	-	517	517	-
Trade receivables	11	-	-	11	11	-
Income tax loss (including depreciation)	795	340	-	1,135	1,135	-
Other items	110	(27)	-	83	83	-
Indexed Cost of Land	5	(5)	-	-	-	-
Minimum alternate tax credit entitlement	42	(42)	-	-	-	-
Deferred Tax assets/(Liabilities)	1,056	(390)	-	666	1,746	(1,080)
Offsetting of deferred Tax assets and deferred Tax Liabilities					(1,080)	
Net Deferred Tax assets/(Liabilities)	1,056	(390)	-	666	666	



Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

	31 March, 2022					
	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred Tax Liabilities:						
Property, plant and equipment and Intangible assets	(969)	-	-	(969)	-	(969)
Investment	(2)	-	-	(2)	-	(2)
Deferred tax assets:						
Insurance claim adjusted in tax (written down value)	1,064	-	-	1,064	1,064	-
Trade receivables	11	-	-	11	11	-
Income tax loss (including depreciation)	795	-	-	795	795	-
Other items	110	-	-	110	110	-
Indexed cost of land	5	-	-	5	5	-
Minimum alternate tax credit entitlement	42	-	-	42	42	-
Deferred tax assets/(liabilities)	1,056	-	-	1,056	2,027	(971)
Offsetting of deferred tax assets and deferred tax liabilities					(971)	
Net deferred tax assets/(liabilities)	1,056	-	-	1,056	1,056	(971)

In the previous year Company had not recognised deferred tax asset (DTA) on carry forward losses aggregating ₹ 442 lakhs in the absence of convincing evidence of sufficient future taxable income against which such deferred tax asset can be realised

The Group during current financial year has utilized deferred tax asset (DTA) ; on account of set off of losses against current year profits and recognition of insurance claim estimate as per documents submitted to insurance company.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

D. Tax assets and liabilities

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current tax assets (net)	556	434
Non Current tax liability (net)	28	-
Current tax assets (net)	-	-
Current tax liabilities (net)	-	-

48. Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these financial statements by the Board of Directors of the Holding Company requiring adjustment or disclosure.

49. Exceptional Items

a. Loss by fire at Dahej Plant

Pursuant to a fire incident on 22 November 2020 at Dahej factory situated at Plot no. D-2/20, GIDC, Tal. Vagra, Dist. Bharuch – 392130, Gujarat, certain property, plant and equipment and inventory were damaged. It also disrupted the production process and impacted the financial performance of the Holding Company for the year ended 31 March 2021. As a result of the incident, the Holding Company had recognised a loss of ₹ 4,932 lakhs (₹ 4,326 lakhs towards property plant and equipment, ₹ 581 lakhs towards inventories and ₹ 25 lakhs towards other expenses) as an exceptional item in the consolidated financial results for FY 2020-21. The Holding Company's assets and inventories are covered under an Insurance policy and a claim has been lodged with the Insurance company for the losses suffered. The Holding Company has received an interim payment towards insurance claim of ₹ 400 lakhs in FY 2021-22 and stock insurance claim of ₹ 285 lakhs in December 2022. The balance claim is under assessment and the same would be accounted for when approved by the insurance company.

Notes forming part of the consolidated financial statements for the year ended 31 March 2023 (Contd.)

50. Other Statutory Information

- (i) The Group did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (ii) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
 - (a) Crypto Currency or Virtual Currency
 - (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - (c) Registration of charges or satisfaction with Registrar of Companies
 - (d) Approved scheme(s) of Arrangements
 - (e) Number of layers of companies
 - (f) Undisclosed income
 - (g) Revaluation of PPE and intangible assets
 - (h) Title Deeds of immovable properties not held in name of the Group
 - (i) Wilful defaulter
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities.
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

The Group has borrowings from bank on the basis of security of current assets. The quarterly returns or statement of current assets.

51.Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.

52.The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

As per our report of even dated attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Farhad Bamji
Partner
Membership No: 105234

Place : Mumbai
Date : 30 May 2023

For and on behalf of the Board of Directors
Dai-Ichi Karkaria Limited
CIN: L24100MH1960PLC011681

S. F. Vakil
Chairperson and
Wholetime Director
(DIN: 00002519)
Farokh P Gandhi
Chief Financial Officer
Membership No. 47573

Meher Vakil
Managing Director
(DIN: 07778396)
Ankit Shah
Company Secretary
Membership No. A35008

Place : Mumbai
Date : 30 May 2023



Form AOC-1

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

Part "A" -Subsidiaries

(₹ in lakhs)

1	Sl. No.		1
2	Name of the subsidiary	Dai-ichi Gosei Chemicals (India) Limited	
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		NA
4	Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries		NA
5	Share Capital		5
6	Reserves & Surplus		-4
7	Total Assets		1
8	Total Liabilities		1
9	Investments		Nil
10	Turnover (Other Income)		* -
11	Loss before taxation		* -
12	Provision for taxation		-
13	Loss after taxation		* -
14	Proposed dividend		Nil
15	% of Shareholding		97%
1	Names of subsidiaries which is yet to commence operations		Nil
2	Names of subsidiaries which have been liquidated or sold during the year yet to commence operations		Nil

* Amount below Rupees One Lakh

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

Part "B" - Joint Ventures

(₹ in lakhs)

	Name of Joint Venture	ChampionX Dai-ichi India Private Limited (formerly known as Nalco Champion Dai-ichi India Private Limited)
1	Latest audited Balance Sheet date	31/03/2023
2	Shares of Joint Venture held by the Company on the year end : No. of Shares	1,125,000
	Amount of investment in Joint Venture	68
	% of holding	50%
3	Description of how there is significant influence	50% holding in JV
4	Reason why the Joint venture is not consolidated	NA
5	Net worth attributable to shareholding as per last audited balance sheet	2,265
6	Profit for the year	
	1. Considered in consolidation	160
	2. Not considered in consolidation	-
1	Names of Associates Companies or Joint Ventures which is yet to commence operations	Nil
2	Names of Associates Companies or Joint Ventures which have been liquidated or sold during the years	Nil

For and on behalf of the Board of Directors

S. F. Vakil

Chairperson and
Wholetime Director
(DIN : 00002519)

Farokh Gandhi

Chief Financial Officer
Membership No. 047573

Meher Vakil

Managing Director
(DIN : 07778396)

Ankit Shah

Company Secretary
Membership No. A35008

Place : Mumbai

Date : 30 May 2023

If undelivered please return to:
DAI-ICHI KARKARIA LIMITED
Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.