THE DHARAMSI MORARJI CHEMICAL CO. LTD.

1919 - 2019

100 Years of Sulphur Chemistry

18th August 2020

The Secretary
BSE Ltd.,
Floor 25,
Phiroze Jeejeebhoy Towers,
Dalal Street, MUMBAI-400001

Script Code: 506405

Dear Sirs,

Sub: Annual Report for the Financial Year 2019-20

This has reference to the Circular dated 5th May, 2020 read with Circular dated 8th April 2020 and 13th April 2020 issued by the Ministry of Corporate Affairs ("MCA") and SEBI Circular dated 12th May 2020, whereby on account of the continuing Covid-19 pandemic, the companies are permitted to issue the Notice convening the Annual General Meeting and the Annual Report for the Financial Year ended 31st March 2020 in electronic mode to those shareholders who have registered their email ids with the Company / Link Intime India Private Limited, the Company's RTA / Depository Participants.

Accordingly, the aforementioned Annual Report is being sent in the electronic mode to those shareholders who have registered their email ids.

Pursuant to Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended, the PDF copy of the Company's Annual Report for the Financial Year 2019-20 is enclosed. The same is also available on the Company's website viz., www.dmcc.com.

Further, as clarified by BSE vide its Circular dated 16th May 2019, we shall submit the Annual Report in XBRL mode at the same time of filing Form AOC – 4 XBRL with the Ministry of Corporate Affairs within the prescribed time limit under the Companies Act, 2013 and the aforementioned Circulars.

You are requested to kindly take the above information in your records.

Thanking you,

Yours faithfully,
For The Dharamsi Morarji Chemical Co. Limited

DHARAMSI MORARJI CHEMICAL CO. LIMITED

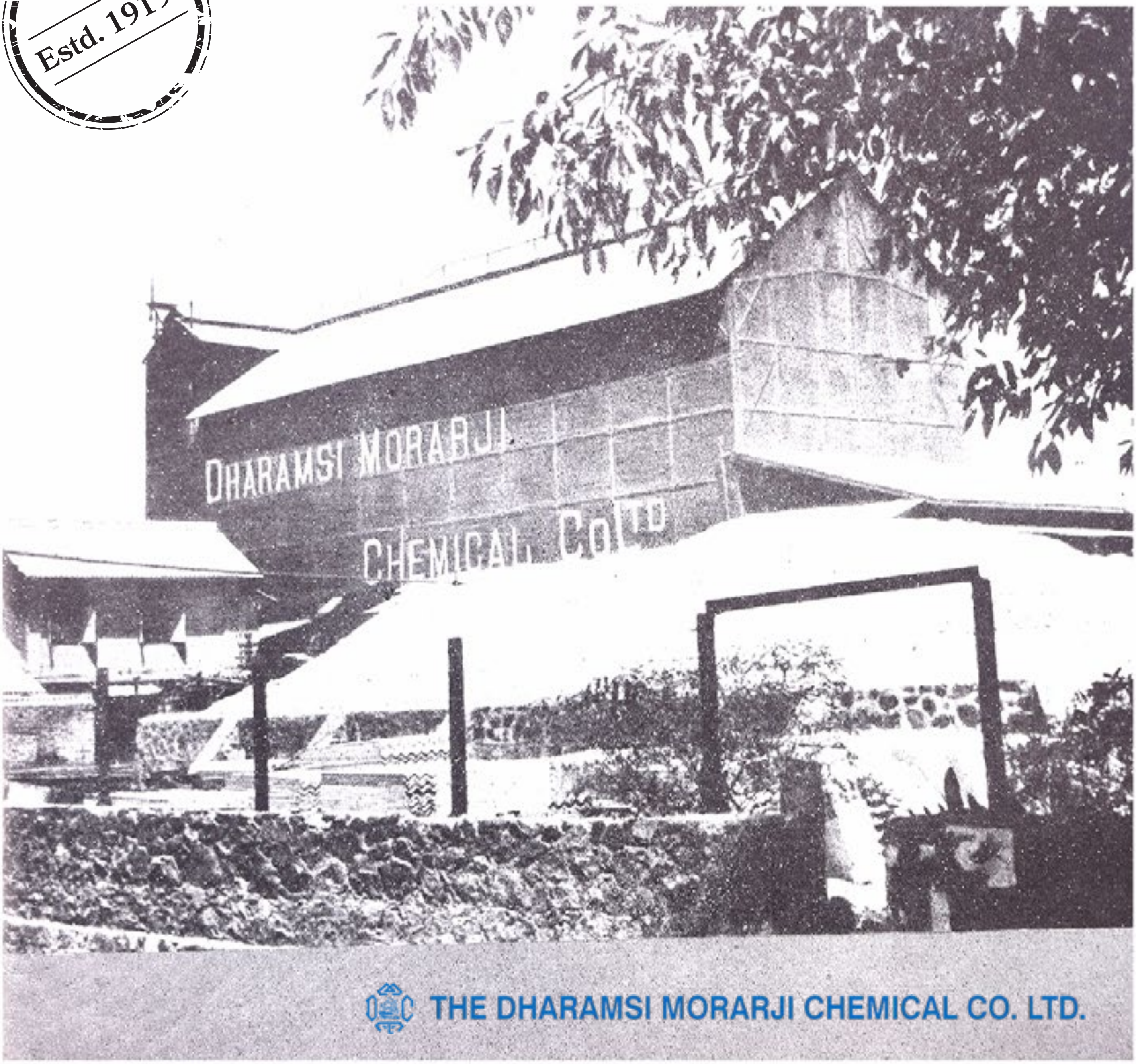
D. T. Gokhale
Sr. Executive Vice President & Company Secretary
Encl.: as above

CREATING
OPPORTUNITIES.
DELIVERING
VALUE.

Annual Report 2019-20

The Dharamsi Morarji Chemical
Company Limited

Estd. 1919



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Strategic Review

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Financial Statements

Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

FY2019-20 in a glimpse:

187.66
Revenue from Operations (in cr.)

34.04
Operating Profits (in cr.)

31.46
Profit After Tax (in cr.)

Mr. Laxmikumar N. Goculdas

" The spirit of its founding fathers and the stalwarts who have moulded the destiny of the company, still guides us in all our new and challenging endeavours. "

Read more on the letter to shareholders on page number 09

Creating **Opportunities.** Delivering **Value.**

Create:

Curious minds and never-ending zest that keeps challenging conventional thinking to seek new ways to uncover opportunities in both product and processes to find innovative solutions.

Deliver:

We lead by delivering extraordinary breakthroughs for our customers and our unwavering focus on flawless execution drives our success. We have always been guided by values to deliver to our people, our customers and the commitment to our planet.

Over this long journey, we have continued to execute under a myriad of favorable and adverse economic conditions because of two defining attributes that we have created. First, Creating new opportunities. Second, Delivering Value to all our stakeholders.

Albeit, emerging as a global leader, with tremendous presence spanning across boundaries, new opportunities have always motivated us to broaden and diversify our horizons and explore new frontiers of success and growth. This has been reinforced through progressive investments across products and platforms. As we continue to look for new horizons ahead, we will continue to build on our momentum and strengths.

Today we are more focused, more innovative and more resilient than ever before. Today, we are a company with a toolbox to create value for our customers, shareholders, communities and employees. Our core values to create and deliver serve as the foundation of our organization and culture. These values guide our operations and enable us to continuously strive to scale our performance, achieve operational excellence and enhance value for all our stakeholders.

This is where we started...

"You spend years trying to learn new stuff but then look back and realize just a few big ideas changed how you think and drive most of what you believe."

- Morgan Housel

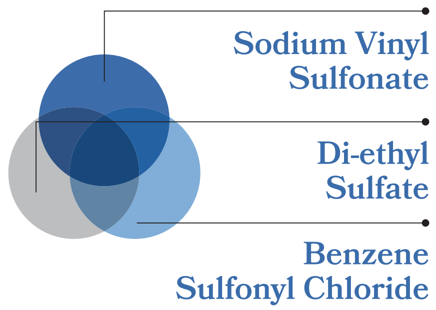
Read more about our journey and learnings on page number 03

ABOUT THE DHARAMSI MORARJI CHEMICAL COMPANY

The journey of Dharamsi Morarji Chemical Company to become a global leader began in 1919 with just one product and one manufacturing unit. The company at present, is a leading manufacturer of specialty and bulk chemicals with a global footprint. Our product portfolio constitutes of specialty and bulk chemicals across Sulphur, Boron and Ethanol chemistry. Chemicals manufactured by us find application in wide range of industries like pharmaceuticals, detergents, dyes, fertilizers, pigments, cosmetics and other chemical applications. Today, the company takes pride of its 100+ years of expertise in Sulphur chemistry and has also diversified its operations across other downstream products. It exports cost effective and value-added products to more than 25 countries across 6 continents.

Dharamsi continues to maintain the highest standards of safety in its functioning, adopt practices and processes for safer and responsible manufacturing operations to reduce the impact of its operations on the environment.

Globally relevant manufacturer of:



Ancillary revenue streams:

ENGINEERING SERVICES

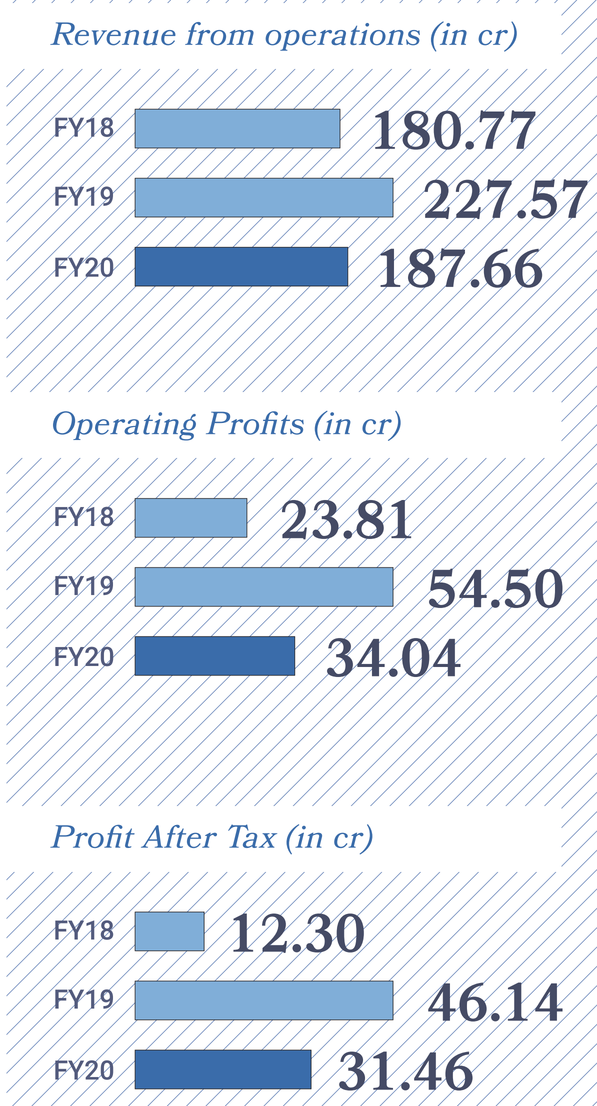
BRAND LICENSING OF FERTILIZERS

Facts that matter:

9.34%
5 year revenue CAGR (standalone)

17.63%
5 year PAT CAGR (standalone)

Crisil BBB-
Credit Rating



2 Active manufacturing units

320+ Team Strength

25 Exporting to 25 countries across 6 continents

34 Products manufactured

Environmentally conscious

Backward Integrated for specialty chemicals

JOURNEY & LEARNINGS FROM HARDSHIPS

1919 - 2005

Focus on Fertilizer Business/ History and Background Timeframe

- Incorporated in the year 1919, commenced operations as a manufacturer of Sulphuric Acid and Single Superphosphate Fertilizers.
- For majority of its existence, the company focused on the fertilizer business, which at point contributed ~ 75% of the revenues.
- From 2005 onwards, the company started incurring losses in the fertilizer segments and briefly ran into financial trouble.

2005 - 2011

Restructuring and Transition Timeframe

- In 2005 the company decided to exit the fertilizer business (highly dependent on Govt. policy) and undergo restructuring.
- The company decided to shift its focus to the Sulphur chemicals business, and its downstream products.
- A shift in vision and strategy – focus on specialty chemicals with low competition and become a globally relevant manufacturer for the same.
- Decided to deploy incremental funds only towards expanding specialty chemicals segment.

2011 and ongoing

Focus on Specialty Chemicals Business Timeframe

- With a strong focus on research and development, the company is actively working to expand its product portfolio in the specialty chemicals segment.
- Focusing only on Chemicals where the company envisages an operating margin of 30% + and a payback period of no more than 3 years.
- To expand its capacity in the specialty chemicals segment the company has planned a capital expenditure at the available land parcel in Dahej.

LEARNINGS FROM HARDSHIPS

It's difficult to become an approved vendor for leading multinational giants, but the results are well worth the efforts:

Today we at Dharamsi, take pride in serving almost all the giants in each specific end-use application. Attaining approvals from these multinationals have ensured that our company adheres to best manufacturing practices, maintains high quality and ensures timely delivery and compliance. These practices now act as long-term sustainable advantages for our company.

It's better to focus on specific chemistry rather than fragmented products:

At Dharamsi, we have horned our skills and have mastered the Sulphur chemistry. This opens up a huge market opportunity and also reduces dependency on limited number of products. It is due to this expertise created over 100 years that, we have been able to create a brand and establish ourselves as differentiated suppliers in a commoditized market. We are also spreading our presence in Boron chemistry.

It's beneficial to manufacture products where the market size is not too big:

Being present in niche chemicals with low opportunity size acts as an entry barrier and safeguards margins. Being one of the few manufacturers of specific specialty chemicals globally, coupled with an advantage of backward integration operations has strategically made us the preferred choice for global giants.

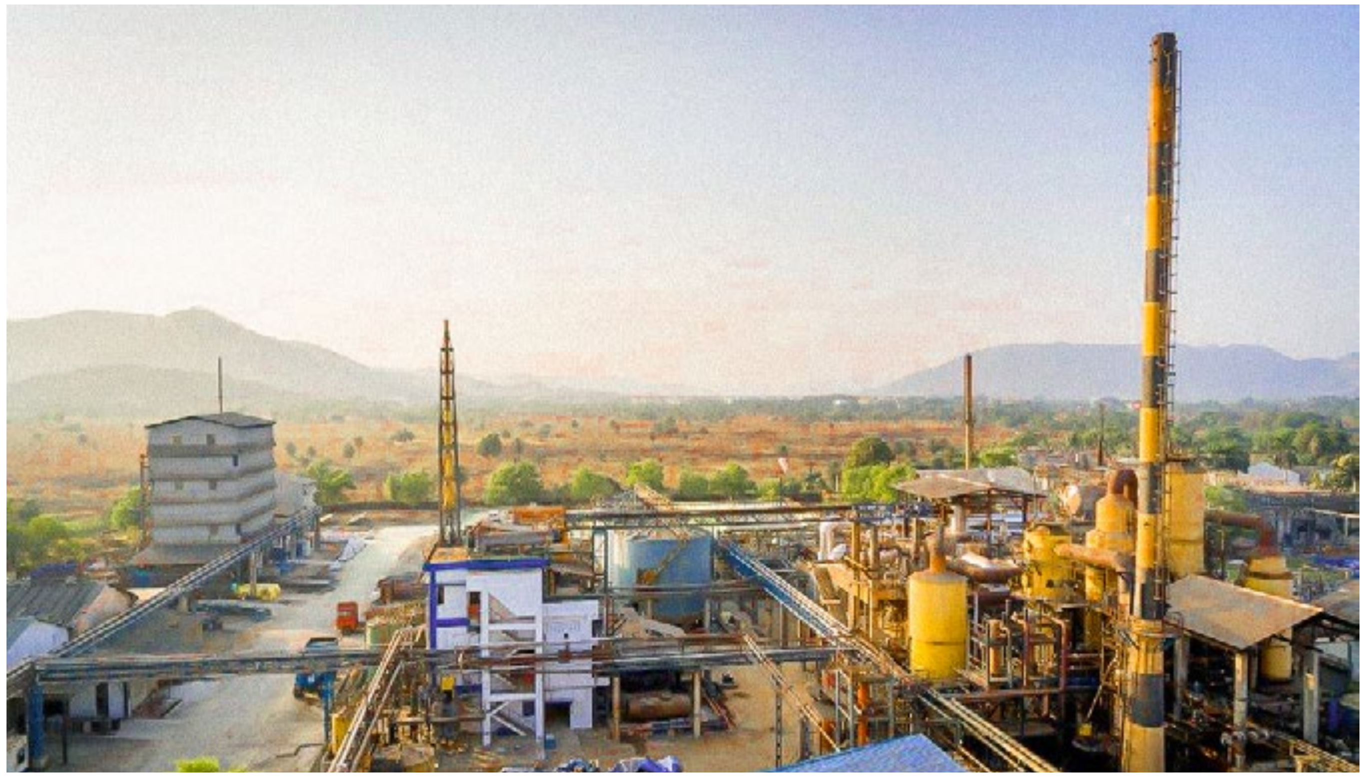
Having backward integrated operations ensure uninterrupted supply and quality:

Having backward integrated operations help us maintaining the cost leadership position in the market. Also given the small market size of the end downstream products, no manufacturer would like to spend heavily on backward integrations for bulk chemicals. This secures our positioning in the niche markets.

Being environmentally conscious is a long-term winning strategy:

While achievement of business goal remains an important strategic agenda, we lay equal importance on environmental safety and we view it as the only long-term winning strategy in the chemical industry. With increasing number of informed customers seeking an environmentally safe value proposition we have engaged ourselves in a series of green initiatives which further consolidates our environmental safety proposition and underlines our commitment to environment and sustainability.

The Dharamsi Morarji Chemical Company Ltd in 1965



The Dharamsi Morarji Chemical Company Ltd in 2020

BOARD OF DIRECTORS

MR. LAXMIKUMAR N. GOCULDAS

Chairman

Mr. Laxmikumar Narottam Goculdas, Chairman of the Company has wide knowledge and experience in industry, trade, finance, commerce, corporate affairs, and international trade.

MS. MITIKA L. GOCULDAS

Vice Chairperson

Ms. Mitika Laxmikumar Goculdas, is an MBA (Finance) from Pennsylvania State University, USA. She has total work experience of 23 years including her stint as Vice President with Merrill Lynch, both in the USA and Dubai. She has experience in Finance, Industry, and International Trade.

MR. ARVIND W. KETKAR

Non-Executive, Independent

Mr. Arvind Wasudeo Ketkar is a B.Com (Hons), F.C.A., practising Chartered Accountant for over 45 Years and has indepth knowledge in finance and accounting.

MR. MUKUL M. TALY

Non-Executive, Independent

Mr. Mukul Manoharlal Taly is B.Sc., L.L.M practicing over 34 years as Senior in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medallist (1st in the University of Mumbai in LLB) in the year 1983. He has an LL.M. degree from the University of Mumbai in Commercial Law and Constitutional Law during the year 1983-85.

MR. HARIDAS T. KAPADIA

Non-Executive, Independent

Mr. Haridas Tricumdas Kapadia has vast knowledge and experience in industry, trade, commerce, corporate affairs, and International Trade. He holds B.Sc. And Diploma in Chemical Engineering. He has got wide business experience in Fertiliser and Chemical industries.

MR. MADHU T. ANKLESHWARIA

Non- Executive, Independent

Mr. Madhu Thakorlal Ankleshwaria is a B.Com. (Hons), F.C.A. practicing Chartered Accountant for over three decades and was Head of the Department of "Accountancy" at N.M. College of Commerce & Economics, Mumbai. He has in-depth knowledge in Finance and Accounting and has been practicing as a Chartered Accountant.

MR. SANJEEV V . JOSHI

Non-Executive, Independent

Mr. Sanjeev Vishwanath Joshi is a B.Com, Practising Chartered Accountant for over 34 years. Shri Sanjeev Vishwanath Joshi has in-depth knowledge in finance and accounting and taxation.

MR. BIMAL GOCULDAS

Managing Director and Chief Executive Officer

Mr. Bimal Goculdas heads the management team and is responsible for overall performance. He is a Chemical Engineer with post-graduate qualifications from the USA and has two decades of work experience in India and the USA. He has been associated with the Company, holding various senior management positions, for over 20 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.

MANAGEMENT TEAM

MR. BIMAL GOCULDAS

Managing Director and Chief Executive Officer

Mr. Bimal Goculdas heads the management team and is responsible for overall performance. He is a Chemical Engineer with post-graduate qualifications from the USA and has two decades of work experience in India and the USA. He has been associated with the Company, holding various senior management positions, for over 20 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.

> "The best teamwork comes from men who are working independently toward one goal in unison."
>
> - James Cash Penney

DR. UMESH R. SHETKAR

Chief Operating Officer

Dr. Umesh Shetkar carries a Master of Science and a Ph.D. in Chemistry from the University Department of Chemical Technology, Mumbai. He has over 25 years of varied experience encompassing Research & Development, Projects, Technocommercial Operations and Local and International Marketing in the Chemical Industries.

MR. SHIRISH PANDIT

Sr. vice president - projects

Mr. Shirish Pandit, heads the engineering services segment at DMCC. A B.sc in, He has 41 years of experience in plant operation management, factory operation management and project management. He is also an Associate Menber of Indian Institute of Chemical Engineers.

MR. DILIP T. GOKHALE

Sr. Executive Vice President & Company Secretary

Mr. Dilip T. Gokhale is a B.Com., LLB, CAIIB, FCS and has a work experience of more than 30 years. He is responsible for Corporate Affairs, Legal, Secretarial, Human Resources and Internal Audit. He is ably supported by Mr. Anilkumar Pillai, Manager Internal Audit & Corporate Affairs.

MR. S.N. JADHAV

Vice President - Operations

Mr. S. N. Jadhav heads the Roha unit. He is a post-graduate in Inorganic Chemistry with nearly three decades of experience in chemical industries with main focus on Sulphur–based chemicals. He is ably supported by Mr. Badal Datta – Chief Engineer (Engineering & Projects), Mr. Geo Francis – Chief Manager-Production, Dr. Sanjeev B. Jadhav - Head QA and Dr. Sandeep N. Gangal - Manager QC.

MR. ASHOK R. NAGARCH

General Manager – R&D

Mr. Ashok R. Nagarch, General Manager – R&D, heads the Research & Development team. He has nearly four decades of experience in Sulphur chemistry.

MR. CHIRAG JASWANT SHAH

Chief Finance Officer

Mr. Chirag Shah holds a B.Com. and Chartered Accountant degree and has an experience of more than two decades. He is responsible for the Finance and Accounting functions. He has experience in Finance, Accounts, Strategic Planning, Merger & Acquisition, Treasury, Insurance and Risk, and ERP Implementations. He is ably supported by Mr. Mohite.

LETTER TO SHAREHOLDERS

THE SPIRIT OF ITS FOUNDING FATHERS AND THE STALWARTS WHO HAVE MOULDED THE DESTINY OF THE COMPANY, STILL GUIDES US IN ALL OUR NEW AND CHALLENGING ENDEAVOURS.

Dear Shareholders,

Our Company, The Dharamsi Morarji Chemical Company Limited, (DMCC) as it is popularly and affectionately called by all of us, a totally indigenous Corporate entity entirely Indian in composition and Management, was established on 25th September, 1919 by Late Shri Madhvji Morarji, Shri Tricumdas Morarji and Shri Ratansi Morarji. The Company was led over the years by Late Shri Ratansi Morarji, Shri Pratapsingh Morarji and Shri Ranchhoddas Mathuradas Goculdas.

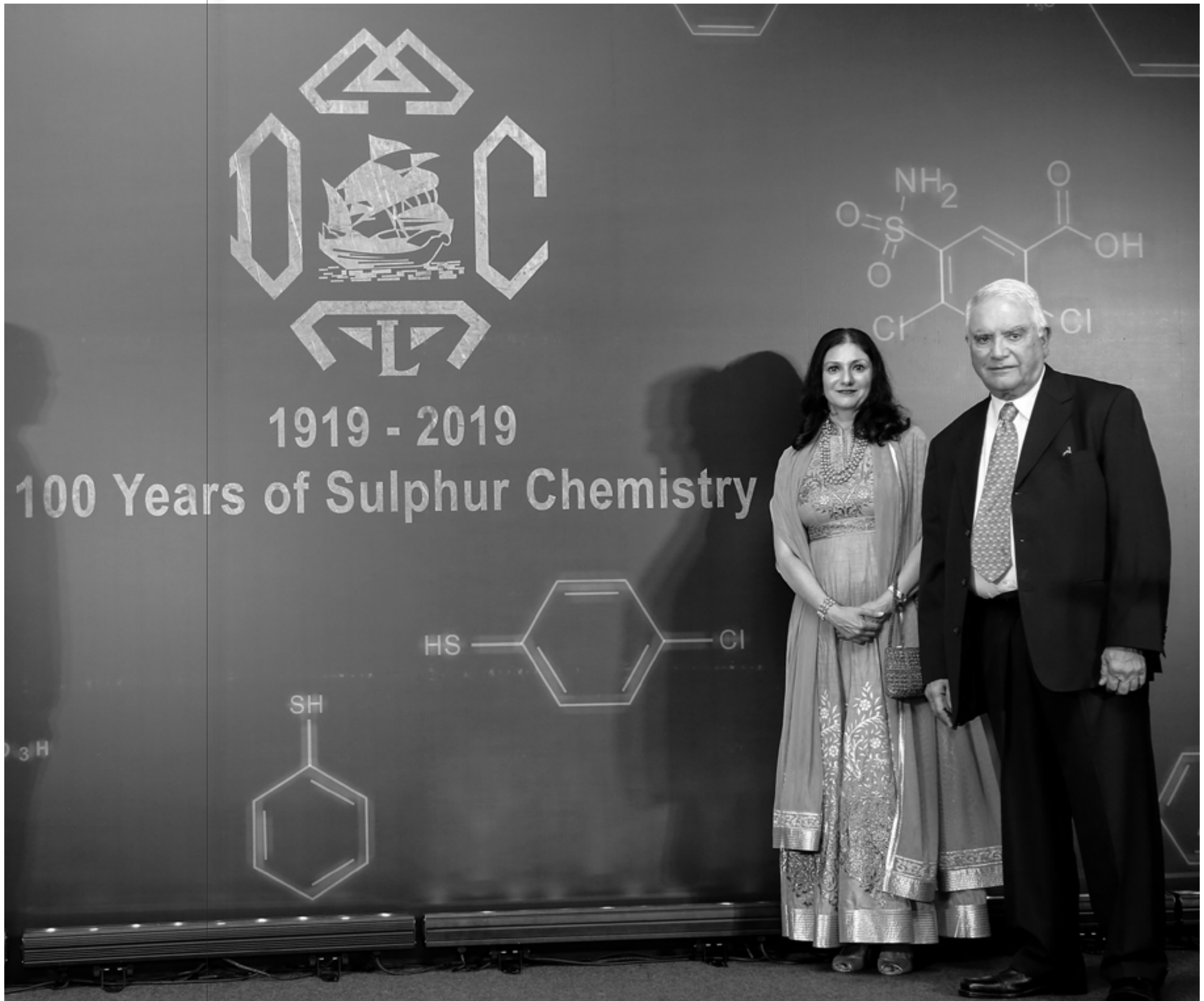
The spirit of its founding fathers and the stalwarts who have moulded the destiny of the company, still guides us in all our new and challenging endeavours. Change has been and continues to be the way of life at DMCC. As we celebrate the 100 years of our existence I would like to bring to your attention that this is a unique milestone and few companies anywhere in the world have been able to achieve such longevity. I would attribute this to our vision of sustainable growth whereby we look at not only short-term profit and financial numbers, but also our impact on the environment and our long-term viability. We have not come this far, to only come this far. We will continue this way into the next one hundred years and we look forward to support from all of you.

Today DMCC has set a blistering pace in the Chemical Industry, particularly Specialty Chemicals, by modernisation, expansion and diversification. This has been achieved not by sudden flight, but because of the continuous commitment, financial support and financial sacrifices by late Chairman Shri R. M. Goculdas and the Goculdas family.

I would like to take this opportunity to thank all those who have been on this long journey with us including our shareholders, customers, suppliers, service providers, current and past employees and last but not the least our board of directors.

Thanks and Regards

Chairman and Vice Chairperson



FROM THE MANAGEMENT'S DESK

I believe the economic uncertainties associated with COVID-19 will be formidable, but we have the experience and the financial strength to see this through and emerge out stronger than ever before.

Dear Shareholders,

As I write this letter, the world is navigating an unprecedented global health crisis, one that will shape our world for many months if not years to come. In this challenging time, it is more important than ever to remain vigilant on safeguarding the health and wellbeing of our employees and communities while reliably supplying products and services to our customers.

Dharamsi is in a good position both operationally and financially and is steering a successful course in a difficult economic environment. We can look back at the last financial year as an eventful and challenging year. While our operations delivered to the plan, there is a need to improve the performance of Boron business. Our team is focused on the task on hand of better reliability of operations and more focused market efforts.

Our bulk chemicals had unfavorable market conditions and earned lower realization as compared to the previous year. While, we maintained our market share, we did witness a decline in the topline and bottom line. We are progressing our plans to debottleneck and expand operations in Roha facility. We are also adding incremental capacity for sulphuric acid in Dahej, which will enable us to tap new customers as we continue to be cost efficient in our bulk chemicals business.

Our specialty chemicals business is progressing well. Despite facing stiff challenges from Chinese competitors, we have managed to maintain strong demand for our products in export markets. Our strategy going forward is to be a backward integrated specialty chemical company. With this, our focus will be on strengthening the innovative funnel to ensure aggressive growth. The company will be going under significant transformation with an ambitious investment plan in this segment.

BEYOND DELIVERING VALUE FROM OUR EXISTING OPERATIONS, WE ALSO FOCUSED ON CREATING NEW OPPORTUNITIES TO POSITION THE COMPANY FOR FUTURE. WE ARE:

Creating Transformation:

Transformation is critical to survive and thrive in an evolving business environment. At Dharamsi, we are transforming our product portfolio to build a company that delivers value and sheds dependency on commodity and industry cycles. Being part of a cyclical industry, we faced a challenging market landscape in 2019 as sulphur prices dropped ~45% as compared to the previous year. We remain cognizant of the fact that it is crucial to protect the business from extreme volatility and as a deliberate strategy the company had planned a tectonic shift in its product portfolio, focusing more on specialty chemicals, to create a more resilient business.

The company has deployed the pass-through mechanism in the specialty chemicals business. This mechanism helps us pass the variation in raw material prices to our customers. As a result, we have safeguarded our business against fluctuation in raw material prices. Increasing share of revenues from this segment in the future will make us better positioned to succeed in varied market conditions.

Creating New Growth Platforms

We entered 2020 in a period of significant uncertainty related to macro factors that are beyond our control. However, we remain focused on what we can control, including growing new business by leveraging our focus on transformation, aggressive cost management and disciplined capital allocation. We are not waiting for global conditions to improve; we are taking actions to enhance our performance as we manage through this environment.

In 2019 we broke ground on our upcoming sulphuric acid and specialty chemical plant spread across 1,03,000 sq. mt. plot in Dahej. This will further enhance our sulphuric acid capacity by 300 MT/day and expand our reach to new customers. The company will also add capacities for Benzene Sulfonyl Chloride, Sulfones and a range of Thio Compounds. We expect this unit to start by June 2021. With a planned expenditure of about 50 cr. on sulphuric acid plant, the company expects to derive 1.5 - 2x fixed asset turns on this asset. This will be a one-time investment that will take care of our sulphuric acid needs for the foreseeable future.

To sustain winning formula for the future, we understand the need to invest smartly to help us become more stable and geared for long term growth as well as ensure more resilience against volatility and fluctuations. With long term focus on this strategy, the company will invest 50 cr. in downstream and specialty chemicals. This gradual transformation towards higher margins chemicals will make substantial contributions to our bottom line in the coming years.

Creating New Products and Processes

We strategically invest in Research & Development to cater the evolving market demand. We strive to carve out new practices and processes in our manufacturing operations to ensure delivery of quality products in a cost-effective way. Our in-house R&D team of 12 people at Roha focuses on development on newer and niche value added chemicals. With an aim to strengthen the business further, the company is working on Sulfones, Amides and Thiols and other similar chemistries as a new product category. Recognized by Department of Science and Industrial Research, the R&D lab also works toward process chemistries and improving the yield of current products.

Conclusion

Our centennial message to each of our stakeholders is of creating a stronger company and improved society for the next generation. For our collective and continued success, we remain committed to serving all of our stakeholders by generating long term value for our owners, delivering consistent value to our customers, continually investing in our employees and supporting the communities in which we work. I believe the economic uncertainties associated with COVID-19 will be formidable, but we have the experience and the financial strength to see this through and emerge out stronger than ever before. Because of the work that has taken place in the last decade, I continue to believe our company is well positioned, despite a more challenging business climate in the coming year.

Bimal L. Goculdas
Managing Director & Chief Executive Officer

PRODUCT OFFERINGS

We are the world's largest manufacturers of Benzene Sulfonyl Chloride. We also stand amongst the largest manufacturers of Sodium Vinyl Sulfonate and Diethyl Sulfate. At Dharamsi, our continuing focus is to identify and develop products that enjoy wide range of applications and offer us an opportunity to not only focus on capturing market share but also market expansion. By driving our performance for customers, ensuring long term dependability and building valuable relationships, we ensure sustainable growth. In doing so, we constantly look at the possibility of moving downstream across the value chain in an effort to maximize value and minimize risks.

BULK CHEMICALS

The company is one of the oldest manufacturers of Sulphuric acid in the country. These products are sold domestically, within a limited radius from the manufacturing site. Almost 50% of the production is sold off in the markets and rest is consumed captively.

Key Products

- Sulphuric Acid
- Sulphuric Anhydride
- Oleum
- Chloro Sulphonic Acid

Applications

- Detergents
- Dyes
- Fertilizers

SPECIALTY CHEMICALS

The sulfonating agents manufactured by the company are reacted with organic substrates like Phenol, Benzene, and Methanol to get downstream products. 65-70% of these products are exported. The company is backward integrated into this process.

Key Products

- Benzene Sulfonyl chloride
- Benzene Sulfonic Acid
- Phenol Sulfonic Acid
- Sodium Benzene Sulfonate
- Sodium Phenol Sulfonate
- Menthyl Lactate
- Thiophenol
- Lasamide
- Diethyl Sulfate
- Diphenyl Sulfone
- Sodium Vinyl Sulfonate

Applications

- Agro-chemicals
- Detergents
- Dyes
- Pigments
- Pharmaceuticals
- Cosmetics

Our marquee clients

PRODUCTS FROM BORON CHEMISTRY

The company is working to add downstream products in Boron Chemistry as well.

Key Products

- Boric Acid
- Borax Pentahydrate
- Borax Decahydrate
- Trimethyl Borate
- Zinc Borate
- Disodium octaborate tetrahydrate
- Boric Acid Special Quality (SQ grade)
- Boric Acid Analytical Reagent (AR grade)

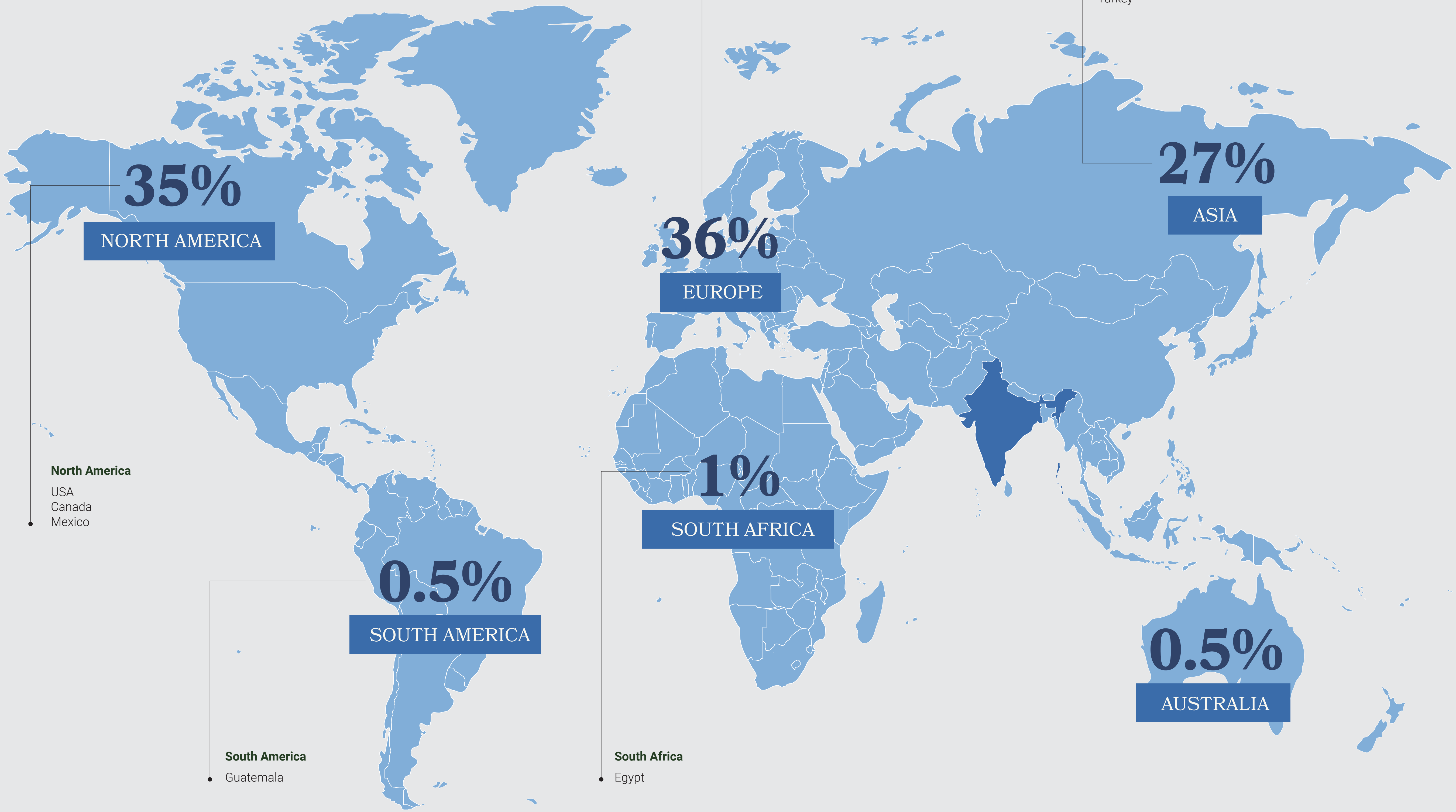
Applications

- Thermal Power Stations
- Detergents
- Ceramic & Tiles Industries
- Steel Industries
- Electroplating

End user industries

- Agro Chemicals
- Construction Chemicals
- Cosmetics
- Detergents
- Dyes
- Electroplating
- Emulsions
- Fertilizers
- Fire Retardants
- Ink
- Paper
- Pharmaceuticals intermediates
- Pigments
- Polymers
- Textile Processing
- Thermal Paper Coating
- Water Treatment

GLOBAL REACH



Europe
Belgium
Denmark
France
Germany
Spain
Switzerland
Italy
United Kingdom
Netherlands

Asia
China
Indonesia
Korea
Japan
Jordon
Taiwan
UAE
Saudi Arabia
Malaysia
Turkey

North America
USA
Canada
Mexico

South America
Guatemala

South Africa
Egypt

Infrastructure Facilities:

ROHA SITE

Situated on a
88,355 sq. mt. plot.

Product category:
Sulphur Chemistry

10 + 3
Equipped with 10 Dedicated as well as 3 Multi-Purpose plants

In-house State of the Art
R&D centre

Recognised by
Department of Science and Industrial Research

DAHEJ SITE

Situated on a
1,03,327 sq. mt. plot with un-utilized land available for further development.

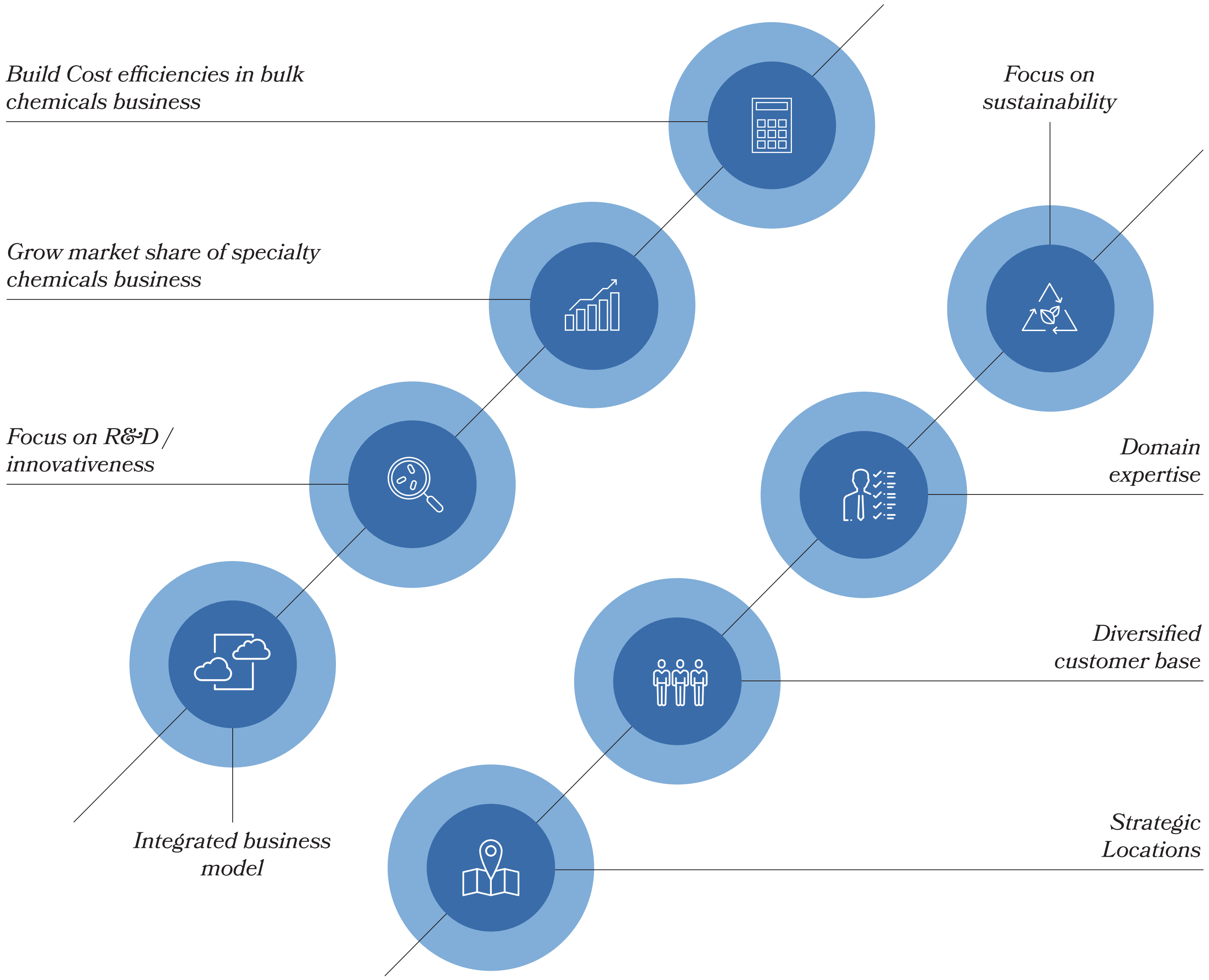
Product category:
Boron Chemistry

2 + 2
Equipped with 2 Dedicated as well as 2 Multi-Purpose plants

Next scheduled maintenance stop in
Q3FY21

KEY ENABLERS OF STRATEGIC EXECUTION

During our journey we have been optimistic about the future beyond any short- lived trend. While we are focused towards navigating successfully through these turbulent times, we remain equally cognizant about the long term aims and aspirations of the company. Our strategic planning sets the direction to achieve organizational objectives and deliver long-term value to our stakeholders. Pursuing this aim of long-term value creation, we strive continuously to enhance our productivity and efficiency levels, investing consistently in our capacities and technologies.



WE CONTINUE TO DRIVE OUR STRATEGIES THROUGH FOCUS ON INTRODUCTION OF NEW PRODUCTS, IMPROVING PRODUCTION CAPACITY AND EXPANDING OUR FOOTPRINT IN HIGH VALUE CHEMICALS.

Creating a De-risked Business Model

A business model, driven by product and application diversity and strengthened by strategically located plant is the enabler for our sustainable growth strategy. A product portfolio tilting towards adding more specialty chemicals will keep us insulated from margin volatility. This is further aided by our diversified client base spread across 25 countries in 6 continents.

Building Cost Leadership in Bulk Chemicals:

The focus at Dharamsi has always been on elevating competencies and aspiring cost leadership. This requires obsession towards enhancing operating efficiencies. We aim to achieve the same by optimizing our production process and re-evaluating the value chain on an ongoing basis.

Growing Share of Specialty Chemicals Business:

High quality of our products, timely deliveries and compliance to regulations have helped us establish ourselves as a preferred supplier. This in-turn helps us leverage our position to create mutually beneficial synergies i.e. add value to our customers, as well as enhance value for ourselves.

Focus on Research and Development:

We focus on research led conversion of generic materials into value added niche specialty chemicals. We have been incrementally increasing our spends on R&D to enhance our process chemistry skills, improve product quality and process yields of existing products. R&D spend in the financial year ending March 2020 stood at a life-time high of INR 2.25 cr. which is 40% higher as compared to the previous financial year.

Integrated Manufacturer for Downstream Products:

We remain focused on capitalizing synergies created through our integrated business model. This helps us enable operational efficiencies while maintaining high quality standards. Our upcoming sulphuric acid plant will help us create an uninterrupted supply chain of raw materials for our downstream products.

Focus on Sustainability:

Our company takes pride in maintaining a healthy relationship with the environment. We extend our responsibility to society with an increasing focus on sustainable development. We at Dharamsi firmly believe that being environmentally conscious is the only long-term winning strategy.

Domain Expertise:

We have a cumulative experience of over 100 years in Sulphur chemistry. This makes us well equipped for handling of hazardous chemicals. The expertise and technical know-how of handling sulfuric acid sets us apart from all other manufacturers. Leveraging this has helped us build our brand and establish ourselves as a preferred supplier in a commoditized market.

Diversified Product & Customer Base:

We have 34 unique products across bulk and specialty chemicals. Our wide product basket helps us in penetrating new geographies and acquiring new customers. The chemicals manufactured find applications in wide range of industries across 25 countries. As a part of the risk management policy, we make sure that we are well diversified amongst our client industries with no single industry contributing more than 10% to our revenues.

Strategic Locations:

The company has its manufacturing facilities in Gujarat and Maharashtra which are also the biggest markets domestically for the company's products. The new facility at Dahej will bring the company closer to its suppliers creating logistical cost efficiencies.

ENVIRONMENTALLY CONSCIOUS

As a company with conscience, that is continuously evolving to meet the demands of the business, industry and environment, we strive towards building a sustainable future. We look at environment sustainability as an opportunity to strengthen our business, while contributing to the society by creating an environmental impact. At Dharamsi, sustainability goes much beyond the regulatory aspect. It remains at the core of our business strategy as we strive to attain leadership across various business aspects.

Being in the chemical industry, we are aware of the impact our manufacturing operations have on the environment. Keeping this in mind, we commit ourselves to three aspects of sustainability.

Sustainable **sites.**
Sustainable **suppliers.**
Sustainable **product portfolio.**

WE AT DHARAMSI, HAVE EMBEDDED SUSTAINABILITY THROUGH GREEN INITIATIVES IN OUR OPERATIONS.

Sustainable Sites:

In this age and era, we have ambitious plans to make the most of renewable energy. In addition to our operational Waste Heat Recovery and Solar Power plants (350KW) we have added windmills with a total capacity of 0.950 MW. We remain committed to widen our green power portfolio. As on date, more than 25% of the energy requirement is catered through renewable resources created by the company.

In our constant endeavor to reduce waste water and produce clean water that is reusable, we have setup effluent treatment plants at our Roha facility to ensure there is no liquid discharge. In order to make our manufacturing process more efficient, a similar Zero Liquid Discharge unit will also be setup at the Dahej facility.

Zero Liquid Discharge

Green cover at our factory

Solar Panels at Roha

New waste heat recovery system

Sustainable Suppliers:

As a responsible corporate, Dharamsi firmly believes in sustainable practices. Our company is already a member of accredited bodies such as 'Responsible Care', 'Together for Sustainability' and 'Nicer Globe'. Which makes it a preferred supplier for several multinational clients. The company also has REACH registration in the European Union through its subsidiary company.

We are steadily working towards reducing the carbon footprint. Additionally, we are also eyeing on reduction in resource intensity in energy and water so as to become a reliable part of the sustainable global supply chains.

Sustainable Product Portfolio:

Evaluation of the entire product portfolio by applying sustainability criteria while development of new products and processes remains a regular activity at our company. We ensure that we deploy sustainable practices in all steps of manufacturing without compromising on the product quality. By following safe manufacturing processes while maintaining high quality, we ensure our products are sustainable.

Responsible Care® OUR COMMITMENT TO SUSTAINABILITY

TOGETHER FOR SUSTAINABILITY

nicerglobe® Responsible Care® Initiative

CORPORATE SOCIAL RESPONSIBILITY

At Dharamsi, our objective is to empower communities by extending our responsibilities to the extent where we directly touch lives. Corporate Social Responsibility is deeply imbibed in the ethos of our organization. Our commitment and sincerity to impacting lives for the better are as intense as the desire to meet our customers' ever-changing needs. For us, growth in business and profits without society's development as a whole is no development in real sense.

Our CSR activities revolve around the protection of animals, protection of environment, women empowerment, education and providing shelters.

The company has spent a total amount of 56.25 lakhs towards CSR activities during FY2019-20

We also extended support to the communities where we do business.

At Roha:

- Computer and Learning programs for the students of Mehandale high school, Roha
- Installations of CCTV's at Budruk village, Roha
- Providing sewing machines to women at Roth Khurd village, Roha

At Dahej:

- Contributions made to old age homes
- Contributions made to Orphanage homes
- Contributions made to primary school

Key initiatives that we supported:

Wildlife conservation

The company extended its support to The Corbett Foundation (TCF) in FY19-20 by providing resources towards wildlife conservation work. Besides helping to conserve India's flagship species, the funds were utilized towards the conservation of crucial habitats at the landscape level and creating awareness about their ecological importance.

Mission National Integration

We joined hands with Abhyuday Pratishthan for mission 'National Integration'. Abhyuday Pratishthan is a public charitable trust which operates a hostel in Dombivali, Mumbai for students of North-East states. The idea is to reduce the wide gap between people staying in those states and the other part of the nation. They are educated on various sanskars and beliefs during their stay. They support the mission of 'National Integration' at their natives and also oppose anti-national social elements which are active in that area.

Spreading scientific awareness

We extended support to Marathi Vidnyan Parishad (MaViPa) in propagating science in society. MaViPa is a recipient of National Science award from Department of Science and Technology, Government of India. The organisation works towards imparting scientific knowledge through Marathi medium and brings attention to importance of science in life. The organisation also aims at contributing to research and advancement of science.

Old Age Homes

We provided resources to Kamaldham Vrudhashram, Ambarnath, a 20 years old organization that works to take holistic care of the needs of senior citizen community by providing residential services to bedridden persons. The organization also takes care of Medical check-up camps and awareness on Health for senior citizen.

Abhyuday Pratishthan Hostel

Kamaldham Vrudhashram

The Corbett Foundation

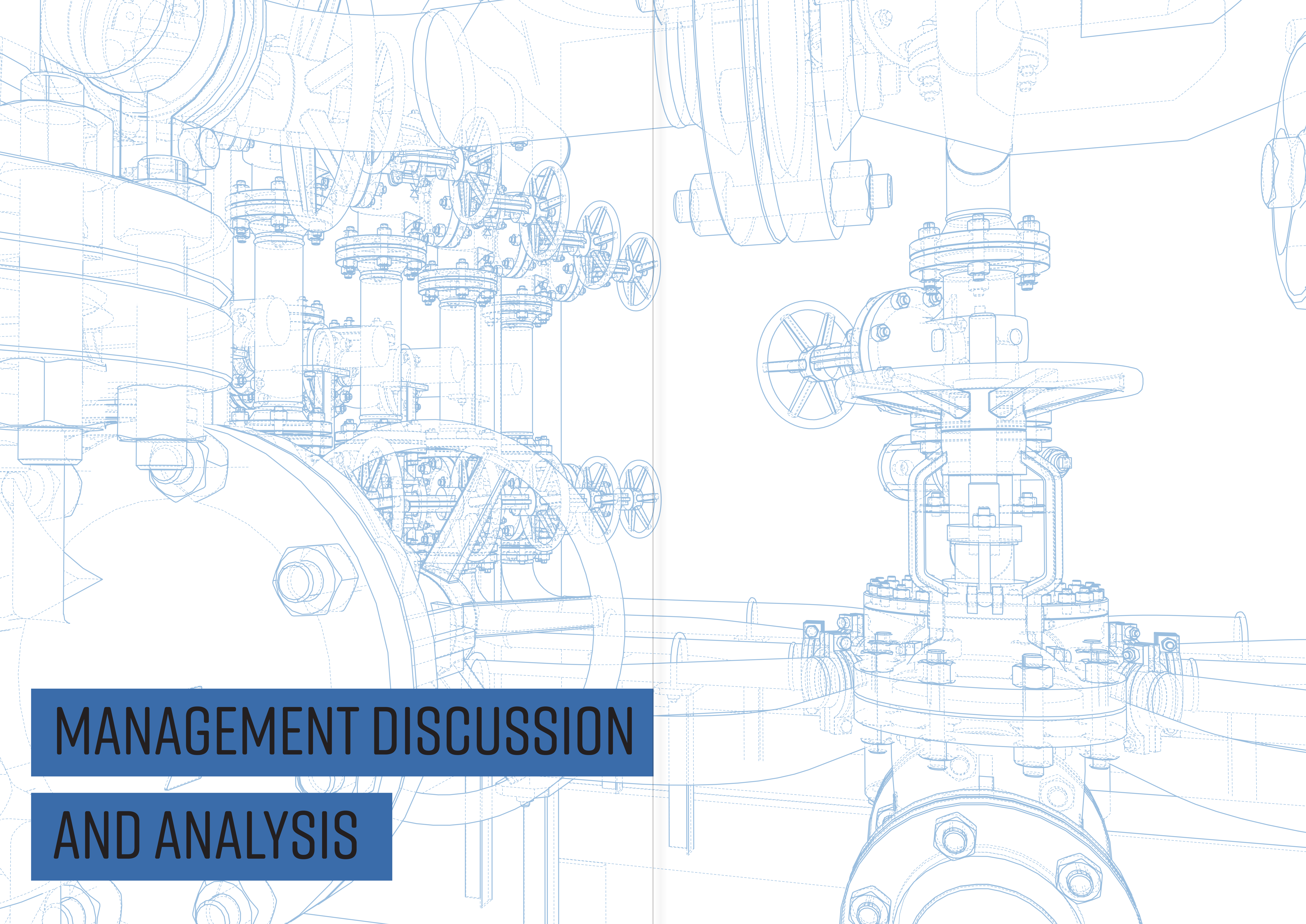
CENTENNIAL ANNIVERSARY – 101*

101- It's more than just a number*

It's another year in business, another year of strong commitment, another year of determination and of success as a business. It's another reason to celebrate. In all these years that have passed, we have seen all this – success and failures, high places and lows, celebrations and crisis, everything. But one thing we never did accept was 'defeat'.

As we embark on the journey ahead we will reiterate on our learnings over the last 100 years. Many more anniversaries, many more success stories and many more achievements have not yet come our way. Until then, we will keep the good work going and have aspiration for more. The path ahead will be challenging because unpredictability will continue to rule; but we will remain committed that the chariot to our victory never stops.

CENTENNIAL ANNIVERSARY – 101*



MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

The pandemic hit the world when trade was already in turmoil. World trade dropped in all quarters of 2019, with declines intensifying in early 2020 in a ripple effect that started in China. Monthly data represented show that Chinese exports fell about 20% in February 2020 from the year earlier. Although Chinese exports recovered slightly in the month of March, the pandemic began to hit exports from other countries.

The full effects of crisis are not yet visible, as most countries went into lockdown in late march or April 2020. China, the European Union and the United States are not only the largest exporters in the world. They are also major players in the global supply chains, and therefore important importers of raw materials, parts and components. Lockdowns in these 3 economies not only affect the domestic business, they also affect firms in partner countries and even companies in third countries that have no direct trading relationship with China, the EU or the United States.

Most of the economies across the world have been severely impacted due to restriction of movement, crippling trade and businesses. While it is difficult to predict the course of the pandemic and economic consequences a recovery in the medium term is likely to depend on emergence of a vaccine of COVID-19.

Indian Economy

During 2019-20, the Indian economy passed through a tough phase with declining growth rates. India witnessed 5.1% GDP growth in the first three quarters of FY 20 against 6.3% in same period of FY 19. There were positive signs of improvement observed in the 4th quarter of 2019-20. But the same was short lived as lockdown of the country due to COVID-19 virus halted the growth momentum.

Despite the slowdown, India was among the top 10 recipients of Foreign Direct investments (FDI) in 2019, attracting a $49 billion in inflows, a 16% increase over the previous year. India also emerged as the fifth largest world economy in 2019, overtaking UK and France with a GDP of $2.94 trillion.

The government undertook unique measure of rationalizing income tax rates to boost fresh investments by corporates in the country. This measure is yet to yield its results. RBI on its part also undertook much needed measures of rationalizing policy rates and increasing liquidity in the banking system. While the virus outbreak has resulted in significant amount of uncertainty and providing outlook would be inapt, growth in the near term is likely to hinge on Government initiatives and cure for the virus. Over the longer run, Indian economy is well placed to witness strong growth on the back of its structural growth drivers.

Indian Chemical Industry

India's chemicals story is one of outperformance and promise. A consistent value creator, the chemical industry remains an attractive hub of opportunities even in the environment of global uncertainties. Worldwide trends affecting the global chemical industry could lead to near term opportunities for chemical companies in India.

Chemicals industry in India is highly diversified, covering more than 80,000 commercial products and contributing roughly 1.34% to the nation's Gross Value Added. The chemical industry in India is broadly classified into Bulk Chemicals, Specialty chemicals, Agrochemicals, Petrochemicals, Polymers and Fertilizers. India is also a strong global dye supplier, accounting for almost 16% of the world production of dye stuff and dye intermediates.

Despite the economic challenges that caused India's GDP growth rate to drop, a long-term perspective indicates that India has averaged an annual GDP growth of 7% for the last 30 years. The country is also working on becoming a $5 trillion economy. This long-term optimistic scenario bodes well for chemical companies, especially in the light of a long investment cycle. Chemical companies can also benefit from rising domestic demand in chemical end use sectors, India's attractiveness as a manufacturing hub and its improved ease of doing business.

Opportunities in the domestic chemical landscape

The chemical industry already contributes to India's trade volume. Capturing emerging opportunities in the near term could make a positive difference to the Indian chemical companies and to the industry in general.

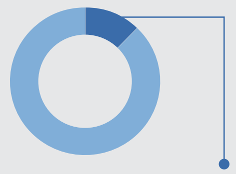
» Diversification of supply chains out of China coupled with stricter environmental norms is changing the structure of Chinese chemical industry. These factors are causing uncertainty among international players that source chemicals from China. This could create an opportunity for the Indian chemical players in certain value chains and segments. Steadily shepherding the industry towards higher environmental standards, China's stricter norms are disrupting some parts of the chemical value chain.

» Trade conflicts have erupted around the world, especially among China, the United States and Western Europe. These have led to shifts in supply chains, affecting bilateral trade between China and United States, with possible repercussions for other economies. Large chemical markets that remain accessible could present opportunities for Indian chemical companies.

» Sustainability is becoming an imperative, with various stakeholders placing a premium on it. The government of China has set provincial targets and is shutting down non-compliant companies. Chemical companies that prioritize environmental sustainability while complying with local regulations may stand to benefit from this opportunity.

» Specialty chemicals are the leading Indian chemical export segment, making up more than half (55%) of total chemical export value in 2018. Yet they contribute only 3% of the total export value of specialty chemicals worldwide. Compared to 13% for China, 11% for Germany and 5% for Japan. There is enough room for growth for companies operating in this segment.

Key highlights of Indian Chemical Landscape



12.5%

CHEMICAL PRODUCTS **EXPORT SHARE**

3rd largest consumer of Polymers in the world

$304 billion

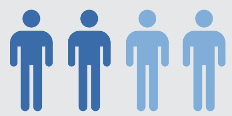
Indian chemical industry expected to reach $304 billion by 2025

9%

DEMAND FOR CHEMICAL PRODUCTS EXPECTED TO GROW AT 9% OVER THE NEXT 5 YEARS.

3.4%

CONTRIBUTION TO GLOBAL CHEMICAL INDUSTRY



Indian chemicals industry employs **more than 2 million people**

4th largest producer of Agrochemicals in the world

6th largest producer of chemicals in the world

Source for Industry data in MDA:
- The Indian Chemical Industry: Unleashing the Next Wave of Growth - McKinsey & Company
- https://www.investindia.gov.in/sector/chemicals

#TRANSFORMING.

FOR **GROWTH**

FOR **EMBRACING CHANGE**

FOR **ACHIEVING RESULTS**

Company Overview

Incorporated in 1919, the company started as producer of sulphuric acid and setup the first sulphuric acid plant in the country. The company then slowly expanded into phosphate fertilizer business and for most of the existence, Dharamsi Morarji was known as a fertilizer company. At a stage, the company had plants at 5 locations manufacturing ~ 5,00,000 MT/year single superphosphate making us one of the largest manufacturers in Asia. In 1992, with changes in government policies, the products manufactured by us were given disproportionately low subsidies making it unviable for us to manufacture it profitably.

At the turn of the millennium, the company started expanding its chemical segment and invested heavily in R&D, people and equipment. A long-standing track record in Sulphur chemistry coupled with deep technical know-how of handling hazardous chemicals acts as a strong advantage. Post shutting down the fertilizers business, the company had undergone significant restructuring and now operates only in the chemical space. Today, Dharamsi Morarji specifically focuses on chemistries where it is fundamentally strong and is certain of having an edge over its competition.

With years of hard work and entire team's dedication we have rebuilt the company with focus on Sulphur, Boron and Ethanol chemistry. Our integrated operations have enabled us to optimize costs. We are a well-diversified business with multiple products and customers across locations and our products find application in wide range of industries.

With a strong focus on R&D and 2 manufacturing units, we are well placed to benefit from the upcoming industry opportunities.

Business Review

Bulk Chemicals:

Various industries across the globe are increasingly wanting to partner trusted manufacturers for their essential input requirements. We are leveraging the strong foundation of our sulphuric acid business built over more than 100 years to cater to clients and grow.

Being commodity in nature, this segment operates on low margins and high volumes coupled with high price sensitivity. Performance in this segment is dependent on uninterrupted material availability, high plant utilization levels and strong logistics management. These products are sold domestically, within a limited radius from the manufacturing site. Around 50% of the production is sold off in the markets and rest is consumed captively.

Bulk chemicals contributed 44.50% to the top line as compared to 47% in the previous year. With upcoming expansion in bulk chemicals facility one can expect a short-term spike in revenue contribution from this segment.

With strong support from the Chinese government, the risk of low-cost products being dumped in the markets has increased. A strong support from Indian government is required to protect the domestic industry from this threat. To remain cost competitive in this environment the company plans to operate its capacity at optimum levels by leveraging its sourcing and logistics expertise. Not only running plants at high capacity levels will bring down the costs, it will also result in increased net energy generation, which in turn will help the company in the manufacturing of the downstream products.

Speciality Chemicals:

Exit from the fertilizers business has simplified the product portfolio of the company and there are now strong synergies between all businesses underpinned by our expertise in sulphur chemistry. The focus now remains to scale our specialty chemicals business while we retain scale in our bulk chemicals business. The balance sheet strength of the company now enables it to drive scale in specialty chemicals portfolio.

The chemicals in these segments are more knowledge based that are created from strong process competencies and technical skills in handling hazardous reactions. The growth in this segment is tied to the long-term strategic relationships with customers. The chemicals in this segment are less affected by raw material price volatility. 65-70% of the chemicals manufactured in this segment are exported.

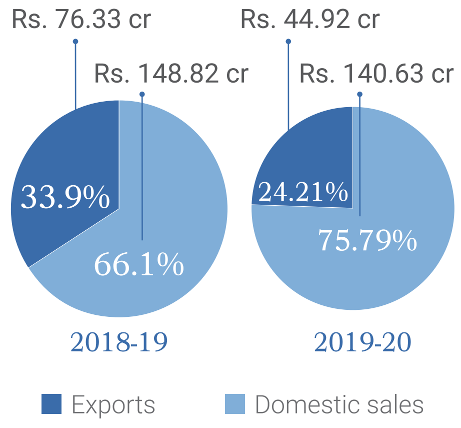
Specialty chemicals contributed 55.50% to the top line as compared to 53% in the previous year. The planned capital expenditure of 50 cr. in this segment will begin commercial production with a lag of one quarter from the new sulphuric acid plant. The company has further decided that all incremental capital expenditure will be done for expansion in this segment only.

Due to the outlasting effects of the pandemic, the recovery of the domestic industries is expected to remain subdued. With the client industries not operating at optimum levels the demand in this segment is expected to remain low. However, the company expects to cover up a part of the lost demand from the strong performance of clients across industries like pharmaceuticals and detergents.

Geographical Performance

As compared to the previous year, the company's exports have de-grown by ~31%. The quarter; October to December, witnessed lowest demand in term of export markets. This was not specific to some products, but the market in general slowed down. Our customers in the American, European markets and even in the far eastern markets, reduced their demand drastically. The demand again picked up in the month of January which again started slowing down to outbreak of COVID-19 in other markets.

Since the outbreak of the pandemic our exports market have done relatively better as compared to the domestic markets. We expect this trend to continue for the year as a lot of our customer industries like dyes and pigments have not yet opened up completely.



Performance Highlights

During the year, we continued with our investments in diversifying our product portfolio and strengthening our infrastructure and processes to drive greater efficiencies. Preparing ourselves for the next leg of growth, we are strategically positioned with upcoming capacities in value added segment. We are creating new opportunities for ourselves that will not only significantly boost our top line but will also be margin accretive. The strategy of de-risking the business model and making incremental capex in more value-added assets will help us in delivering long-term value to all our stakeholders.

In FY 2019-20, revenue from operations declined to Rs. 187.66 cr., a de-growth of 17.53% from 227.57 cr. in FY 2018-19. EBITDA came in at Rs. 34.04 crores down by 37% from 54.50 cr. the previous financial year and PAT was at Rs. 31.46 crores down by 31.81% from 46.14 crores in the last financial year. The drop is financial performance is mainly attributable to lower realizations in commodity that the company deals in.

Overall, the performance of FY 2019-20 was largely driven by a combination of volume growth and lower realizations across products. While we did witness a decline in financial performance, we continued to maintain our market share during these tough times. The initiatives undertaken by the management will help us achieve operating efficiencies and increase share of value-added chemicals over the long term, hence reducing our performance dependency on price volatility.

Key Ratios

Particulars	FY19	FY20	% change
Operating Profit Margin	23.95%	**18.14%**	-24.26%
Net Profit Margin	20.28%	**16.76%**	-17.36%
Debtor turonver	2.19	**1.71**	-21.92%
Inventory Turnover	4.05	**4.43**	9.38%
Interest Coverage Ratio	18.05	**13.73**	-23.93%
Debt Equity	0.16	**0.12**	23.47%
Current Ratio	1.64	**2.13**	29.87%
This is due to increase in cash & cash equivalents and decrease in trade payables.			
Return on Net Worth	39.85%	**21.71%**	45.51%
This is due to decrease in profitability and increase in total equity			

Risks and Concerns

Your Company remains focused on building distributed leadership and succession planning processes and is coming up with ways to enhance organisational capabilities. Accordingly, risk management has always been an integral part of your Company. Backed by strong internal control systems, existing Risk Management Framework and policies have laid down the roles and responsibilities of various business segments regarding the managing of risks, covering a range of responsibilities, right from strategic to operational.

These responsibilities today offer a strong foundation for appropriate risk management procedures, their effective implementation as well as the independent monitoring and reporting handled by Internal Audit and the top management team.

1.

Raw Material Risk – Unavailability of raw material and fluctuation in its prices is a major threat to our business.

Mitigation - The long-standing relationships with our suppliers ensure steady availability of raw materials at competitive prices. Also we follow a raw material-plus pricing mechanism for speciality chemicals, which further reduces the risks of margin and top-line pressures in scenarios of rising input costs.

2.

Customer Retention Risk – The inability of the company to retain its customer may affect the financial performance of the company.

Mitigation – Due to the quality of

the products manufactured coupled with competitive prices offered, your company is the preferred supplier to many of its customers. Also no industry contributes to more than 10% to the company's revenues providing enough diversification benefits and reducing the client concentration risk.

3.

Availability of skilled personnel – The key enabler of success for any company depends on its ability to retain and attract skilled personnel. Any failure in being able to do so could impact the operations and performance of the company.

Mitigation – The company always endeavours to keep its human capital at the centre and has initiated multiple steps for the overall development of its employees. We undertake various initiatives to ensure an all-round learning experience for our employees. The company also encourages on-site and off-site team building activities to inculcate a sense to togetherness amongst all the employees of the company.

4.

Risk of Foreign Exchange – The company generates a significant part of its revenues from exports and hence is exposed to risk of fluctuations in currency values.

Mitigation – The company keeps a close watch on Rupee movement and enters hedging and swap contracts to mitigate the risks arising out of any unfavourable movement in currency leading to financial losses.

5.

Regulatory Risk – If the company is unable to obtain any regulatory approval required by the concerned authorities, it may adversely affect its business operations and resulting financial performance.

Mitigation - The company is aware and compliant of all the regulatory requirements of the concerned authorities. The company also makes conscious efforts to ensure that it is compliant with the regulatory requirements of global markets to ensure smooth functioning of operations.

6.

Economic Uncertainty – A decline in economic activity could have an impact on our business operations

Mitigation – The company has been making conscious efforts in increase its global presence. It has substantially reduced its dependency on performance of any specific economy.

Adequacy of Internal Controls

Your Company has well laid down policies, guidelines and procedures which form part of its internal control system. The Audit Committee of the Board periodically reviews reports of Internal Auditors, inter alia, on adherence by the operating Management of such policies and procedures and suggests changes/modifications and improvements on a continuous basis. The Company has an independent and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposal and the transactions are authorised, recorded and reported correctly. The internal control systems are supplemented by a programme of internal audit.

Human Resource Development

As part of ongoing exercise of the restructuring and re-organisation of the Company's business, the Company undertakes periodic comprehensive reviews of its HR policies and amends the same suitably from time to time, to meet the emerging business requirements. Special emphasis is being led continually on recruitment of multi -disciplinary and experienced staff to carry forward the growth objectives of the Company. Regular training programmes are being held for the benefit of the staff and the workmen. Your Company believes in a collaborative approach and works closely with the unions, and Industrial relations have been cordial all along.

The number of permanent employees on the rolls of the Company as on 31st March, 2020 are 361.

Cautionary Statement

Statements in this "Management Discussion and Analysis Report" describing the Company's objectives, projections, estimates, expectations or predictions may be considered as "forward looking statements" within the meaning of applicable security laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

CONTENTS

Statutory Report

Financial Statements

Standalone Financial Statements:

Consolidated Financial Statements:

CORPORATE INFORMATION

Directors

Shri Laxmikumar Narottam Goculdas
Chairman

Ms Mitika Laxmikumar Goculdas
Vice Chairperson

Shri Haridas Tricumdas Kapadia

Shri Madhu Thakorlal Ankleshwaria

Shri Arvind Wasudeo Ketkar

Shri Mukul Manoharlal Taly

Shri Sanjeev Vishwanath Joshi

Key Management Personnel

Shri Bimal Lalitsingh Goculdas
Managing Director and Chief Executive Officer

Shri Dilip Trimbak Gokhale
Sr. Executive, Vice President and Company Secretary

Shri Chirag Jaswant Shah
Chief Finance Officer

Auditors

Rahul Gautam Divan & Associates
Chartered Accountants, Mumbai.

Internal Auditors

Messrs Mahajan & Aibara
Chartered Accountants, Mumbai.

Bankers

Janakalyan Sahakari Bank Ltd.
RBL Bank Ltd.
Saraswat Co-operative Bank Ltd.

Registered Office

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai – 400 001.

Factories

Roha (Maharashtra)
Dahej (Gujarat)
Khemli (Rajasthan)
Jhar (Gujarat)

Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.
C101, 247 Park, L B S Marg,
Vikhroli (W) Mumbai-400 083.
Tel. : 022.491.86000 Fax : 022- 49186060
Email : mt.helpdesk@linkintime.co.in

NOTICE

Notice is hereby given that the Ninety Ninth Annual General Meeting of the Members of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (CIN: L24110MH1919PLC000564) will be held on Monday, the 14th day of September, 2020 at 11.30 a.m. through Video Conferencing or Other Audio Visual Means to transact the following business :

Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the Financial Year ended 31st March, 2020, together with the Report of the Auditors thereon.

3. To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (holding DIN 00459347), who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business

4. To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Laxmikumar Narottam Goculdas (DIN: 00459347) after his attaining the age of seventy-five years.

   "RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded for continuation of the directorship of Shri Laxmikumar Narottam Goculdas (DIN: 00459347) in the Company after his attaining the age of seventy five years."

5. **Ratification of Cost Auditor's Remuneration**

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

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), as amended from time to time, the remuneration payable (as recommended by the Audit Committee and approved by the Board of Directors of the Company), to CMA Shri S. S. Dongare holding ICWA Registration Number 12521, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021, amounting to Rs. 66,000/- (Rupees Sixty Six Thousand Only) as also the payment of taxes as applicable and re-imbursement of actual out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

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

By Order of the Board of Directors,
D. T. Gokhale
Company Secretary

Registered Office:
Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road, Fort,
Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail : dgokhale@dmcc.com
Date: **06th August, 2020**

General Notes:-

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. Accordingly, in compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the necessary details of the Annual General meeting being held by through VC/OAVM are provided in the subsequent paras.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") and Circular dated 12th May 2020 issued by SEBI, permitted the holding of Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of Members at a common venue. In compliance with these MCA and SEBI Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM. The Company has engaged the services of Link Intime India Private Limited, the Company's RTA for providing the remote e-voting and Members can attend and participate in the Annual General Meeting through VC/OAVM facility only. The details regarding the remote e-voting, webcasting of the Annual General Meeting through VC / OAVM and the e voting during the Meeting have been given in subsequent paras.

3. Pursuant to the aforementioned Circulars, the Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website **www.dmcc.com**; website of the Stock Exchange i.e. BSE Limited at - **www.bseindia.com**. The Notice is also available on the website of **instameet@linkintime.co.in.**

4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting 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 Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

5. The relative Explanatory Statement pursuant to Section 102 of the Companies Act,2013(the Act), in regard to the business as set out in item numbers 4 & 5 above is annexed hereto:

6. In view of the amendment made to Section 139 of the Companies Act, 2013 vide the Companies (Amendment) Act, 2017 which is effective from 7th May, 2018, annual ratification of appointment of statutory auditors have been done away with. Hence no resolution has been proposed for the same.

7. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to **skjandassociates@gmail.com** with copies marked to the Company at **dgokhale@dmcc.com** and to its RTA at **instameet@linkintime.co.in.**

8. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. As per the provisions of Clause 3.A.III. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 4&5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

10. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday, 7th September, 2020 to Monday , 14th September, 2020, (both days inclusive). Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 7th September 2020.

11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant. Members holding shares in physical form, who have not registered their e-mail address with the Company, are requested to submit their request with their valid e-mail address to Company/ Registrar and Share Transfer Agents viz. Link Intime India Private Limited. Members holding shares in dematerialised form are requested to register / update their e-mail address with their Depository Participant directly. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request..

12. Registration of email ID and Bank Account details:

    In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

    In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

    (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., **www.linkintime.co.in** - fill in the details and upload the required documents and submit. OR

    (ii) In the case of Shares held in Demat mode:

    The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

13. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct Tax At Source("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending documents through email at **dgokhale@dmcc.com** by 04th September, 2020.

14. Members holding shares in electronic form are requested to notify any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical forms are requested to advise any change in their address or bank mandates immediately to the Company/Registrar and Share Transfer Agents viz. Link Intime India Private Limited.

    Members holding Shares in Physical form are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease of portfolio management. Members can contact Company/ Registrar and Share Transfer Agents viz.Link Intime India Private Limited for assistance in this regard.

15. NRI shareholders are requested to immediately inform (a) change in their residential status on return to India for permanent settlement and (b) particulars of their Bank Account maintained in India with complete name, branch, IFSC code, account type, account number and address of the bank with Pin Code number,if not furnished earlier.

16. If members have more than one folio with the Company in identical order of names,the fact should be intimated to the Company for consolidation into one folio. If further shares are bought by the members, folio number(s) should be mentioned in the forwarding letters to avoid creation of multiple folios.

17. To support the"Green Initiative",the Members who have not registered their e-mail addresses are requested to register the same with Registrars/Depositories. All members are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. electronically.

18. 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 dematerialized form are, there fore,requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar and Share Transfer Agents viz. Link Intime India Private Limited.

19. Pursuant to the provision of Section 72 of the Act,the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.SH-13. Members holding shares in physical form may submit the same to the Company/Link Intime India Private Limited. Members holding shares in dematerialized form may submit the same to their respective deposit or participant.

20. During the Meeting, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170, Register of Contracts in which Directors are interested under Section 189 of the Companies Act,2013, will be available for inspection by the Members at the Annual General Meeting upon logging on to the website of the Link Intime viz., **www.linkintime.co.in**

21. Mr. Satish Kumar Jain, proprietor of SKJ & Associates, (ID S00425) Practising Company Secretaries (FCS 6398/ PCS6632),has been appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.

22. The Scrutinizer shall, within a period not exceeding 48 hours from the conclusion of the e-voting period, unblock the votes in the presence of at least two witness not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

23. The results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.dmcc.com** and on the website of Link In time India Private Limited viz., **https://instavote.linkintime.co.in** within two days of the passing of the resolutions at the Ninety-Ninth AGM of the Company on 14th September, 2020 and communicated to BSE Limited, where the shares of the Company are listed.

24. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e. 14 September 2020.

The instructions for shareholders voting electronically (Remote e-voting) are as under:

In compliance with provisions of Section 108 of the Act and Rules framed thereunder, the members are provided with the facility to cast their vote electronically through e-voting services provided by the Link Intime Pvt. Ltd. (LIIPL), on all resolutions set forth in this notice.

The voting period begins on Friday, 11th September, 2020 (9:00 am IST) and ends on Sunday, 13th September, 2020 (5:00 pm IST). During this period shareholders of the company, holding shares either in physical form or in dematerialised form, as on the cut off date 7th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by Link Intime Pvt. Ltd. for voting thereafter. A person who is not a Member as on the cut of date should treat this Notice of AGM for information purpose only.

1. Visit the e-voting system of LIIPL. Open web browser by typing the following URL: **https://instavote.linkintime.co.in**.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
    a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
    b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
    c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIIPL: **https://instavote.linkintime.co**.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical share-holders). • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company re-cord for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (Last Four Digits) as recorded in your demat account or in the company records for the said demat account or folio number. • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please en-ter Folio number in the Bank Account number field as mentioned in instruction.

If you are holding shares in demat form and had registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/ or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:
Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/ Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/ demat account.

In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000. Any person who acquires shares of the Company and becomes a Member of the Company after sending the Notice of AGM through electronic mode and holding shares as on the cut of date i.e 7th September, 2020, may obtain the login ID and Password by sending a request at help desk email ID : enotices@linkintime.co.in

Instructions for Shareholders/Members to Attend the Annual General Meeting through InstaMeet:
Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

1) The facility of viewing the live webcast of the Annual General Meeting and voting electronically is available for only those shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 07th September, 2020. The VC facility and e-voting module shall be

disabled by Link Intime India Pvt. Limited after the conclusion of the Meeting.

2) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime India Private Limited, the Company's RTA by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

3. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted up to 1000 members only.

4. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

   1. Open the internet browser and launch the URL for InstaMeet<< https://instameet.linkintime.co.in >>and register with your following details:
      a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
      b. PAN: Enter your 10 digit Permanent Account Number (PAN)
      c. Mobile No.
      d. Email ID
   2. Click "Go to Meeting"

Note:

a. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

b. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

c. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

d. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : (022-49186175)

Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

1. Shareholders/ Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at dgokhale@dmcc.com upto Friday, 11th September 2020.
2. Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.
3. Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at dgokhale@dmcc.com. The same will be replied by the company suitably.

Note:

a. Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

b. Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired.

   Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

a. Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting.

b. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

c. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : (022-49186175)

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), and Article 89 (2) of the Articles of Association of the Company the following Explanatory Statement sets out all material facts relating to the business mentioned under **item nos. 4& 5 of the accompanying Notice dated 06thAugust, 2020.**

Item No. 4

As the Members are aware, pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice proposing such appointment or continuation specifies the justification for such appointment or continuation, as the case may be.

The Members may recall that at the 97th Annual General Meeting held on 26th September, 2018, the Members had approved the continuation of directorship of Shri Laxmikumar Narottam Goculdas who had attained the age of 75 years. Since Shri Laxmikumar Narottam Goculdas is getting reappointed at this Annual General Meeting , it is necessary to approve continuation of his directorship on the Board of Directors of the Company and accordingly the approval of the Shareholders is being sought for the continuation of directorship.

The Board of Directors is of the opinion that Shri Laxmikumar Narottam Goculdas is the person of integrity, possess relevant expertise and vast experience. The guidance in the past has been notable and supportive to the Company in dealing with complex matters. Accordingly, it is felt that Shri Laxmikumar Narottam Goculdas's association as non-executive director will be beneficial and in the best interest of the Company. In line with the provisions of SEBI (LODR) read with SEBI LODR (Amendment) Regulations, 2018, your directors recommend the continued association of Shri Laxmikumar Narottam Goculdas with the Company.

None of the Directors except Shri Laxmikumar Narottam Goculdas, Ms. Mitika Laxmikumar Goculdas (Daughter of Shri L.N. Goculdas) Director ,Vice Chairperson of the Company and Shri Bimal Lalitsingh Goculdas (nephew of Shri L.N.Goculdas) , the Managing Director, and Chief Executive Officer of the Company and their relatives , to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the special resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution at Item No. 4 of the accompanying Notice.

Item No. 5

Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of CMA Shri. S. S. Dongare holding ICWA Registration No. 12521, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2020-21, at a remuneration of Rs. 66,000/- (Rupees Sixty Six thousands only) plus taxes and actual out-of-pocket expenses.

CMA Shri. S. S. Dongare has furnished a certificate regarding his eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the previous year under the provisions of the Act.

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for ratification of the Cost Auditors

remuneration by the Members of the Company.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned

or interested (financially or otherwise) in the Resolution at Item No. 5 the accompanying Notice.

Details of the Directors and Manager seeking appointment/re-appointment at the forthcoming Annual General Meeting:

[Pursuant to Regulation 36(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standards on General Meeting]

Name of the Director	Shri Laxmikumar Narottam Goculdas
Director Identification Number (DIN)	00459347
Date of Birth	17.09.1943
Date of Appointment on the Board	06.03.1992
Qualification/Expertise in specific functional areas	Industrialist with rich business experience in general.

Directorship held in other companies (excluding foreign companies)	1. Kosan Industries Pvt. Ltd., 2. L.P. Gas Equipment Pvt. Ltd. 3. L.P. Gas Transport & Bottling Co. Pvt. Ltd. 4. Bombay Foods Pvt. Ltd. 5. Phoenix Distributors Pvt. Ltd. 6. The Natural Gas Co. Pvt. Ltd. 7. Autogas Conversion (India) Pvt. Ltd. 8. B.S. and Service Pvt. Ltd. 9. Jasraj Trading Co. Pvt. Ltd. 10. Gocul Gas Pvt. Ltd. 11. Phoenix Distributors Gas Agencies Bhopal Pvt. Ltd. 12. B S and Services Gas Agencies Bhopal Pvt. Ltd. 13. Conservation Corporation of India Pvt. Ltd., 14. Santanalaxmi Investments Pvt. Ltd. 15. Falcon Chemicals LLC, Dubai
Committee position held in other Board	Nil
Shareholding	88,61,044
Relationship between Directors interse	(i) Ms. Mitika Goculdas (Daughter of Shri L.N. Goculdas) is the Director ,Vice Chairperson of the Company and (ii) Shri Bimal Goculdas(nephew of Shri L.N.Goculdas) is the Managing Director, and Chief Executive Officer of the Company.
Number of Board Meetings attended during the Year	Attended all 5 meetings held during the Financial Year 2019-20.

Registered Office:
Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road, Fort,
Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail : dgokhale@dmcc.com
Date: **06th August, 2020**

By Order of the Board of Directors,
D. T. Gokhale
Company Secretary

DIRECTORS' REPORT

The Directors' are pleased to present their Ninety Nineth Annual Report together with the audited financial statements of the Company for the financial year ended 31st March,2020.

FINANCIAL RESULTS

Rs. in lakhs

	Financial Year ended 31st March, 2020	Financial Year ended 31st March, 2019
Sales Turnover	18,554.96	22,515.33
Gross Profit	3,204.59	5,160.91
Less: Depreciation	615.62	450.53
Profit before taxation	2,588.97	4,710.38
Less: Provision for Taxation (MAT)	(452.50)	(1,010.00)
Add: MAT Credit Entitlement	1,011.14	908.78
Add: Tax impact due to OCI	1.69	(3.35)
Profit after Taxation	3,149.30	4,605.81
Add: Other Comprehensive income	54.98	(12.19)
Total Comprehensive Income	3,204.29	4,593.62
The following is the Sales Turnover:		
Chemicals	18,484.25	22,441.50
Others	70.71	73.83
Total	**18,554.96**	**22,515.33**

Indian Accounting Standards: The Financial Statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act. There has been no material change which have occurred between end of the Financial year 2019-20 and the date of this report.

Performance

The sales turnover has come down by 17.59% i.e. by Rs3960.37 Lakhs mainly due to lower volumes in exports and lower value realisation consequent to lower raw material costs. The previous financial year '2018-2019' was exceptional, especially for the bulk chemicals, and therefore this year '2019-2020' had lower profits (Before Taxation) of Rs 2,588.97 Lakhs as against previous year Rs 4,710.38 Lakhs. During the Oct 2019 quarter, exports had reduced substantially due to slower markets for our customers. Before that quarter and since that quarter exports volume have come back to normal. During the Year the Company has taken credit of MAT Entitlement of Rs.1,011.14 Lakhs (Previous Year Rs.908.78 lakhs)as the Management is confident of a payment of normal tax liability in coming years.

Your company has taken cash flow control and overhead control measures including the monitoring of Receivables and creditors for payments. Your company does not expect any difficulty in management of working capital, funding of Projects and servicing of its debts.

Dividend

In view of lower profits during the year mainly due to overall economic slowdown both in India and across the world as also the incidence of Covid-19 pandemic and it's likely staggering adverse effects during the current year, the Management has adopted a conservative approach and have not proposed any final dividend for the year under review. Considering the planned capital expenditure in the year 2020-2021 and 2021-2022, it was also considered prudent to conserve cash. However, the Directors have proposed a preference dividend @ 2.5% on 2,80,000 cumulative,non- convertible redeemable preference shares of Rs. 100/- each, aggregating to Rs.2.80 crores. This preference dividend will absorb Rs.7.00 Lakhs and the company will bear Dividend Distribution Tax of Rs.1.44 Lakhs.

Overview of Operations

Impact of Novel Corona Virus- Covid-19 Pandemic and it's effect

Consequent upon and as a result of lockdown announced by Government of India and respective State Governments, your company's plants at Roha (Maharashtra) and Dahej (Gujrat) remained temporarily closed for some time during last week of March and first week of April 2020, but were restarted in a phased manner in the month of April 2020. Since Your company's products are considered essential, the necessary permission were obtained promptly. Presently both the plants are operational and the company has implemented and observes the preventive and control guidelines on Covid-19 including the required sanitary and hygiene protection facilities. The staff at other offices are observing Work from Home.

Emerging Economic scenario challenges and opportunities:
The Covid-19 pandemic has caused major economic havoc across the world and India is no exception. The adverse ripple effect will come down on the Chemical industry and your company as well. However, as you are aware, we supply to diverse end uses. The demand from segments like Drugs and Pharmaceuticals, soaps and detergents and other Hygiene and Health care products may go up, but the demand from Dyes Dyestuffs, polymers may be subdued. Your company will allocate manufacturing, marketing and R&D resources as far as possible towards those segments where business is strong.

Your company has developed over the years, proprietary manufacturing process that are both environmentally sustainable and still cost effective. This will help the company to overcome the present crisis. It is expected that the dynamic business situation may change for better during the 3rd or 4th quarter of the current year. Your Company's Banking facilities are adequate and company does not expect any immediate liquidity concern.

Exports—Trends and Prospects
In order to enable the Indian chemical industry to face the competition in international market, it is imperative that the Government increase the competitiveness:

1. by granting / increasing export incentives
2. provide concessionary rate of interest on export financing
3. overall reduction in power tariffs and fuel costs

Your company has already approached Government authorities through Indian Chemical Council an apex body of the Chemical Industry and we hope that necessary supportive measures will be taken by the authorities et the earliest. It may be noted that other major chemical producers such as China and USA have given significant direct financial benefits to employers and industries.

Currently our export order book is stable and we do not see any difficulties in short term. For the longer term however, a lot will depend on how the recovery in global GDP unfold.

Futuristic Approach
The Chemical Industry in USA, European Countries, Japan and Others are looking at India as an alternate source of supply vis-a-vis China. This may prove to be an opportunity for India as a main alternative to China particularly in specialty chemical segment of the Chemical Industry.

The specialty chemical business model of your company has a pass-through mechanism which enables the company to pass on increase in prices of raw materials to client.

Barring unforeseen circumstances, the proposed capital expenditure on sulphuric acid plant at Dahej would be incurred as contemplated and the said plant will be ready for operation by June 2021. In addition to setting up of a new multipurpose plant for manufacturing new specialty chemicals, management has also planned a phased programme of reconditioning and debottlenecking of certain plants at Roha factory.

Based on the in house experience & expertise developed over the years, in setting up &operation of sulphuric acid plants, your company continues to offer services for distinct packages & programes consisting of planning , execution & commissioning of plants to manufacture sulphuric acid, oleum etc.in the present circumstances the Management expects new opportunities in this consultancy segment.

Board Evaluation

The board of directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 (the Act) and the corporate governance requirements as prescribed by Securities and Exchange Board of India (" SEBI ") under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the "Managing

Director, and Chief Executive Officer" of the Company.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Non – Executive Chairman was evaluated, taking into account the views of non-executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performances of the Board, its committees and individual Directors were also discussed.

Nomination And Remuneration Policy

The Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees have evolved and have been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended with a view to pay equitable and commensurate remuneration to the Directors, Key Managerial Personnel and other Employees of the Company, based on the Qualification, experience and industry standard.

Taking into considerations the contribution of the Board of Directors Individually and collectively towards the business developments of the Company in the policy planning and strategy formation for the growth of the Company, in accordance with the approval of the Shareholders of the company obtained at the 97th Annual General Meeting of the Company the Non- Executive Directors have been rewarded by way of payment of commission to them up to 1% of the net profits of the Company, calculated in accordance with the relevant provisions of the Companies Act, 2013 .

The Board of Directors and the Nomination and Remuneration Committee of the Company has taken into consideration various applicable factors such as qualification, experience, industry standards etc. and evolved an appropriate Remuneration policy ,in accordance with which the "Managing Director ,and Chief Executive Officer" of the Company have also been rewarded up to 1% of the net profits of the Company, calculated in accordance with the relevant provisions of the Companies Act, 2013. There has been no change in the said Policy for the year under review. The Salient features of Remuneration Policy are given in the Corporate Governance Report and criteria for remuneration to independent directors / non-executive directors is also available on the Company's website

Particulars Of Loans, Guarantees Or Investments By Company

The Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to Section 186 of the

Companies Act, 2013. The Company has given advance against salary to some employees in terms of the applicable policies of the Company.

Sexual Harassment – Prevention, Prohibition And Redressal

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year 2019-20.

Insurance

The Company has taken adequate Insurance to cover the risks to its employees, property (land and buildings), plant, equipment, other assets and third parties.

Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year five Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Audit Committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

Directors/Key Management Personnel

Shri Laxmikumar Narottam Goculdas

Shri Laxmikumar Narottam Goculdas (Holding DIN:00459347), Director is retiring by rotation in accordance with the requirements of the Act and under the Article 135 of the Articles of Association of the Company, and being eligible, offers himself for re-appointment.

Pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed. Accordingly a special resolution for his re-appointment has been proposed at the ensuing 99th Annual General Meeting.

Independent Directors

Shri Haridas Tricumdas Kapadia

The period of appointment of Shri Haridas Tricumdas Kapadia, Independent Director will come to an end on 16th September, 2020. Shri Haridas Tricumdas Kapadia has been associated with the Company and its erstwhile associate company (viz. Borax Morarji Limited) for over a period of 50 years and held the various Senior Management positions including the position of Joint Managing Director of the Company for some years. During his long tenure with the Company he contributed to the growth and development of the Company.

The Board place on record their thanks and appreciation for the contributions for the services, counsel and advices made by him during the tenure of his association with the Company and wish him all the best in his future endeavors.

Shri Arvind Wasudeo Ketkar

The period of appointment of Shri Arvind Wasudeo Ketkar, Independent Director will come to an end on 16th September, 2020. Shri Arvind Wasudeo Ketkar has been associated with the Company for over a period of 10 years. During his long tenure with the Company the company received his wise counsel and advices from time to time.

The Board place on record their thanks and appreciation for the contributions for the services, counsel and advices made by him during the tenure of his Directorship with the Company and wish him all the best in his future endeavors.

The Company has since received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 as well as Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended. During the year, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company.

The Company continues its operations under the Senior Corporate Management Team comprising of Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer, Shri D.T. Gokhale, Sr. Executive Vice President and Company Secretary and Shri Chirag J. Shah, Chief Finance Officer.

Whistle Blower Policy

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower policy has been posted on the website of the Company (www.dmcc.com).

Related Party Transactions

All related party transactions that were entered into during the financial year under review were at arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The Audit Committee and the Board of Directors at their meetings have reviewed and approved all the related party transactions undertaken by the Company during the Financial Year. The related party transactions entered into by the Company are disclosed in Note no. 42 of the Notes to Accounts. All Related Party Transactions are placed/routed through the Audit Committee and the Board of Directors. None of the Directors has any pecuniary relationships or transactions with the Company.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Risk Management Policy

The Company has formulated a Risk Management Policy which reflects the overall risk management philosophy, the Company's overall approach to risk management, risk assessment, risk mitigation mechanism and the roll and responsibilities for risk management. Risk management forms an integral part of the business planning and review cycle. The Company's Risk

Management Policy is designed to provide reasonable assurance that objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safe guarding the integrity of the Company's financial reporting and its related disclosures.

The identification and analysis of and putting in place the process for mitigation of these risks is an ongoing process. The Company has also laid down procedure to inform the Audit Committee and the Board about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks by means of a properly defined frame work. The monthly review meetings of all the functional/ departmental heads inter alia discuss the relative risk management issues.

Insider Trading

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulation 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a code of conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information ('Code of Fair Disclosure').

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by insiders and connected persons and ensure that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive any benefit from access to and possession of price sensitive information about the Company which is not in the public domain, that is to say, insider information.

The code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the need and interest of all the Stakeholders.

Environment Health And Safety (Ehs)

The prime endeavor of our Management is to achieve Environment Health and Safety (EHS). The Company has its Environment Health and Safety (EHS) policy. Your Company has various EHS management processes and methodologies being deployed and implemented under the EHS to ensure that our employees become more safety conscious. The Company has a system of in- house EHS training for employees and workmen at the factory as also the practice of sending the employees/ workmen to various external EHS programmes. The EHS management process at both the locations viz. Roha and Dahej are administered by qualified professionals.

Responsible Care®

Responsible care® is a global voluntary initiative of the Chemical Industry, the objective of which is continuous improvement in the areas of environmental protection, health, safety and security. The Company has a Responsible Care Policy. It is the endeavor of your Company that our products - both raw material and finished goods pose no risk to employees, society and environment as well. This is sought to be achieved by minimizing the negative influence of our products along the entire supply chain, right from procurement, storage and manufacturing right up to sale. Your Company is one of the few in India authorized to use the Responsible care® logo. This has been achieved after extensive site and systems component, third party mentoring, and a series of audits. Logo usage validity for the Company from March 2019 to February 2023, renewable thereafter.

Inhouse R & D Unit – Registration

Your Company has its own, modern and well-equipped Research and Development Laboratory located at its factory at Roha. This in-house R & D Laboratory is a recognised Research Institution by the Department of Science and Technology, Department of Scientific and Industrial Research, Government of India, New Delhi.

Together For Sustainability®

The TFS Audit was carried out under the stipulations made by a Group of EU based major Pharmaceutical companies. This will enable and has enabled the Company for obtaining expeditious approval for the products sold/to be sold in Europe market.

ISO Certification

The Company enjoys ISO 9000:2015 Certification for manufacture of various Chemicals at Roha, Dist. Raigad in the State of Maharashtra. The Company is in the process of obtaining similar ISO Certification for the operations at Dahej in course of time.

Reach

REACH regulation is adopted by the European Union to improve protection of human health and environment from the risks of that can be posed by the Chemicals. REACH stand for Registration, Evaluation, and Authorisation of all Chemical Substances. Borax Morarji (Europe) GmbH has registered several products under the REACH Regulations and your company continues to take advantage of this registration.

Auditors

In the 96th Annual General Meeting (AGM) held on 26th day of December, 2017 Messrs. Rahul Gautam Divan & Associates (RGD & Associates), Chartered Accountants (ICAI Firm Registration No.120294W), were appointed as Statutory Auditors of the Company for a tenure of five years subject to ratification of their appointment at every subsequent AGM. The Ministry of Corporate Affairs has vide notification dated May 7, 2018 obliterated the requirement of seeking Member's ratification at every AGM on appointment of Statutory Auditor during their tenure of five years. Accordingly, the resolution for ratification of their appointment as Statutory Auditors of the Company is not proposed at the ensuing 99th Annual General Meeting.

The report of the Statutory Auditor forming part of the Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

Rahul Gautam Divan & Associates is a member of Intercontinental Grouping of Accountants and Lawyers, a worldwide association of professional services firms, offering high quality accounting, auditing, legal and consultancy services. The combined experience of the partners in the chartered accountancy profession within the firm is over 50 years. RGD & Associates have associated offices in Ahmedabad, with residential partners at the associated office. RGD & Associates have been involved in the Statutory Audits and also Internal Audits of various companies, and have the necessary experience to conduct the statutory audit of the Company.

Cost Auditor And Cost Audit Report

The Board of Directors, on the recommendation of Audit Committee has appointed Shri S.S. Dongare, Cost Accountant, as Cost Auditor of your Company to audit the cost accounts of the Company for Financial Year 2020-21 at remuneration of Rs. 66,000/- (Rupees Sixty-Six Thousand Only) as also the payment of taxes as applicable and re-imbursement of actual out-of-pocket expenses incurred in connection with the aforesaid audit. As required under the Companies act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting. In accordance with the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company carries out an audit of cost records (Sulphuric Acid) maintained by the Company every year.

The Cost Audit Report and the Compliance Report of your Company for the Financial Year ended 31st March, 2019, by Shri S.S. Dongare, Cost Accountant, which was due for filing with the Ministry of Corporate Affairs, was duly filed on 18th December, 2019.

Conservation Of Energy, Technology Absorption And Foreign Exchange

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure I".

Corporate Social Responsibility Committee:

A Corporate Social Responsibility Committee of the Directors consists of Ms. Mitika Laxmikumar Goculdas as Chairman, Shri H. T. Kapadia, Shri M. T. Ankleshwaria and Shri A. W. Ketkar as members of the Committee.

The Committee met once during the year and based on the average net profit of last three years, Your Company was required to spend, a total amount of Rs.56.24 Lakhs for the Financial year ending 31.03.2020 for CSR activities. Accordingly, an amount of Rs.56.24 Lakhs as indicated at the "Annexure II" annexed herewith.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Shri Satish Kumar Jain, Proprietor of SKJ & Associates, Practicing Company Secretaries (FCS 6398/ PCS 6632), to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as "Annexure III" and forms integral part of this Report.

There is no qualification in the report of Secretarial Auditor, for the year under review.

Particulars Of Employees

The particulars of employees as required under section 197 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the financial year ended 31st March 2020 have been furnished and are provided in "Annexure IV" to this Report.

Subsidiary Company

Borax Morarji (Europe) GmbH is a 100% wholly owned subsidiary Company in Germany. Primarily it owns registrations for your company's products as per REACH regulations. This is a requirement for sales into the European Union.

A statement containing the salient features of the financial statement of the Company's wholly-owned subsidiary under the provisions of section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed in prescribed form AOC -1 (Annexure VI).

The audited accounts of the wholly-owned subsidiary company are placed on the Company's website and the members interested in obtaining copy of annual report of the wholly-owned subsidiary company are requested to get in touch with the Office of the Company Secretary

Consolidation Of Accounts

In pursuance of the mandatory compliance of the with the Indian Accounting Standards (Ind AS) , as issued by the Ministry of Corporate Affairs, the Company has presented Consolidated Financial Statements for the year under report, consolidating its accounts with the accounts of its Wholly Owned Subsidiary Company, viz. Borax Morarji (Europe) GmbH, Germany. A separate report of the Statutory Auditor on the consolidated Financial Statements also forms part of the same.

Public Deposits

During the year 2019-20, Your Company has not accepted/ renewed any fixed deposit. Post-Merger of BML with Your Company, the balance amount of unclaimed matured deposit of erstwhile BML, as on 31.03.2019 was Rs.1.60 Lakhs. During the year 2019-20, the Company has duly transferred Rs.0.50 Lakhs to the Investor Education and Protection Fund and paid Rs.0.30 Lakhs to the relevant Depositors. Thus, as on 31.03.2020, the unclaimed matured deposits is Rs.0.80 Lakhs.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost, external Auditor and Secretarial Auditor, including audit of internal financial controls, over the financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year ended 31st March, 2020. Accordingly, to the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013:

(i) that in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable Accounting Standards have been followed and that there are no material departures;

(ii) 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 as at March 31, 2020 and of the profit of the Company for the year ended on that date;

(iii) that the Directors have taken proper and sufficient care 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;

(iv) that the annual accounts have been prepared on a going concern basis;

(v) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

(vii) That all the applicable Secretarial Standards have been complied with by the Company during the year under review.

Corporate Governance

Your Company has been practicing the principles of good Corporate Governance over the years and the Board of Directors lay strong emphasis on transparency, accountability and integrity. Your Company has adopted a Code of Conduct which is approved by the Board of Directors as required under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended from time to time. The Directors and the Management Staff have confirmed their adherence to the provisions of the said code. A separate report on Corporate Governance is annexed as a part of the Annual Report, along with the Auditors' Certificate on its compliance.

Extract Of Annual Return

As per the provisions of Section 92(3) of the Act an extract of the Annual Return in Form MGT -9 is provided in Annexure 'V' to this Board Report. The Annual Return is also available on the website of the Company http://www.dmcc.com.

Equity Share Capital

As on 31st March, 2020, the issued, subscribed and paid up share capital of your Company stood at Rs. 249399330/- (Rupees Twenty-Four Crores Ninety-Three Lacs Ninety-Nine Thousand Three Hundred Thirty Only), comprising of 24939933 Equity shares of Rs.10/- each.

The Company has neither issued shares with differential voting rights nor granted any stock options or issue any sweat equity or issued any Bonus Shares. Further, the Company has not bought back any of its securities during the year under review and hence no details /information invited in this respect.

Performance Evaluation Of The Board

Pursuant to the provisions of Section 178 of the Act, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Board has carried out an Annual Performance Evaluation of its own performance, of the Directors individually as well as the evaluation of the working of its Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre- determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also the evaluation of Individual Directors.

While the individual directors' performance was reviewed by the Chairman and the rest of the Board excluding the Director being evaluated, the Chairman's and Non-independent Directors performance was appraised through feedback from Independent Directors.

Material Changes And Commitments

There were no material changes and commitments, affecting the financial position of the Company which has occurred from the end of financial year i.e. March 31, 2020 to the date of Directors Report.

Details Of Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operation In Future

During the year under review there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Acknowledgements

The Directors are thankful to your Company's shareholders, customers, suppliers, and contractors, various departments of Central and State Governments and Banks for their continued valuable support. The relations between the employees and the management continue to be cordial. Your Directors place on record their appreciation of the sincere and devoted efforts of the employees at all levels and their continued co-operation and commitment.

For and on behalf of theBoard
Laxmikumar Narottam Goculdas
Chairman

Registered Office
Prospect Chambers, 317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai 400001.
Date:06thAugust, 2020

DISCLOSURES

Annexure I To The Directors' Report

Form A

Conservation Of Energy Power And Fuel Consumption

		April, 2019 to March, 2020	April, 2018 to March, 2019
1	Electricity Purchased		
	Unit (Lac KWH)	95.65	79.93
	Total Amount (` Lakhs)	914.31	697.26
	Rate/Unit (`/KWH)	9.56	8.72
2	Furnace Oil		
	Quantity (K. Litre)	20.840	126.00
	Total Amount (` Lakhs)	7.03	45.79
	Average Rate (`/KL)	33.721	36,341
	Consumption per Tonne of Major Products		
	Electricity (Unit – KWH)	-	-
1	Single Superphosphate	-	-
2	Sulphuric Acid 100%	46	51

Form B

Technology Absorption Research And Development (R & D)

1. Specific areas in which R & D is carried out by the Company:

The Company has an R & D Centre which is approved by the Department of Scientific and Industrial Research, Govt. of India, New Delhi.

Areas in which R & D activity was carried out includes:

- Process and cost optimization of existing Specialty Chemicals so as to be competitive in the domestic and international market.
- Development of the processes for making value added products to cater to the need of local and export market.
- Technical support to Marketing efforts for launching new products and for trouble shooting of existing products.

2. Benefits derived as a result of the above R & D

- Quality and yield improvement of the existing products
- Manufacture and supply of some of the products as per the customers specifications.

3. Future plan of action:

- Studies on the preparation of new Specialty Chemicals and formulations with special emphasis on value addition.
- Focus on sulphonation and allied Chemistry to develop new processes.

4. Expenditure on R & D

(Rs. In Lakhs)

		April, 2019 to March, 2020	April, 2018 to March, 2019
(i)	Capital	-	-
(ii)	Recurring	225.03	161.98
(iii)	Total	225.03	161.98
(iv)	Total R and D expenditure as a percentage of sales turnover	1.21%	0.72 %

Technology Absorption, Adaptation And Innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation

Technology upgradation and innovation are matters of a continuous process in the Company.

2. Benefits

Increased capacity, cost reduction, improvement in quantity and flexibility to meet market demands.

3. Technology imported during the last five years.

No technology was imported during the last five years.

Form C

Foreign Exchange Earnings and Outgo

The particulars of foreign exchange earned/utilized are as under.

(Rs. In Lakhs)

	April, 2019 to March, 2020	April, 2018 to March, 2019
Earnings In Foreign Exchange:		
Export of goods calculated on FOB basis	4,471.80	7,490.68
Total Foreign Exchange earned	4,471.80	7,490.68
Outgo In Foreign Exchange:		
(1) Value of imports calculated on cif basis		
Raw Materials and bought outs	1,481.35	1,812.88
(2) Expenditure in foreign currency	245.13	146.36
On Account Of Foreign Tours, Subscription, Etc.		
Total Foreign Exchange outgo	**1,726.48**	**1,959.24**

For and on behalf of theBoard
Laxmikumar Narottam Goculdas
Chairman

Registered Office
Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road, Fort,
Mumbai 400001.
Date : 06th August, 2020

Annexure II To The Directors' Report

The composition and the functions of the Company's Corporate Social Responsibility (CSR) Committee as contemplated as per Section 135 of the Companies Act, 2013 is as under:

The Company has formed CSR Committee comprising of the following Directors:

Ms Mitika Laxmikumar Goculdas, Chairperson

Shri Haridas Tricumdas Kapadia, Member

Shri Madhu Thakorlal Ankleshwaria, Member

Shri Arvind Wasudeo Ketkar, Member

The Committee recognizes that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfillment of its corporate social responsibilities can enhance overall performance. In structuring its approach to the various aspects of Corporate Social Responsibility, the Company takes into account guidelines and statements issued by stakeholder representatives and other regulatory bodies.

The functions of the said CSR Committee are as under:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate theactivities to be undertaken by the Company as specified in Schedule VII.
2. Recommend the amount of expenditure to be incurred on the activities referred to in point no (1) above; and
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Board of the Company shall approve the CSR and disclose the contents of such policy in its report and place the CSR Policy in the Company's website, if any. The Board shall also ensure that the activities included in CSR policy are undertaken by the Company.

DMCC has the tradition of supporting social &educational causes ever since beginning, well before the concept of CSR came in the Companies Act 2013. DMCC has been giving financial support to various Educational, Environmental, social& socio-economic projects around the company's factories.

The Board shall ensure that Company spends, in every financial year on CSR, 2% of the average net profits of the Company during the three immediately preceding financial years. The average net profit of the Company for the last three financial years is Rs. 2811.77 lakhs

The Committee met once during the year and based on the average net profit of last three years, Your Company was required to spend, a total amount of Rs.56.24 Lakhs for the Financial year ending 31.03.2020 for CSR activities. Accordingly, the Company has spent an amount of Rs.56.24 Lakhs as indicated hereinbelow:

Sr. No.	CSR project of Activity Identified	Sector in which the project is covered	Project or programs	Amount outlay	Amount spent	Cumulative expenditure up to the reporting period	Direct or through Implementing Agency	Amount spent
1.	Sports – for differentially abled persons	Special Education/ Sports	Outdoor sport activities for differentially abled persons	1,00,000.00	1,00,000.00	1,00,000.00	Adventures Beyond Barriers Foundation	1,00,000.00
2.	Protection of animals	Animal welfare	Medical Care and rehabilitation	62,000.00	62,000.00	62,000.00	Thane Spca	62,000.00
3.	Environment Protection	Animal welfare	Conservation of natural resources and ecological balances	25,00,000.00	25,00,000.00	25,00,000.00	Corbett foundation	25,00,000.00
4.	Education	Students development	Hostel facilities for North east students	2,00,000.00	2,00,000.00	2,00,000.00	Abhyuday Pratishtan	2,00,000.00
5.	Hospital& Dispensary	Health Care	Pathology	2,00,000.00	2,00,000.00	2,00,000.00	Nana Palkar Smruti Samiti, Mumbai	2,00,000.00
6.	Science Education	Science	Spread of Scientific awareness	2,00,000.00	2,00,000.00	2,00,000.00	Marathi Vidnyan Parishad	2,00,000.00
7.	Woman Empowerment	Hostel	Lodging and Boarding	1,00,000.00	1,00,000.00	1,00,000.00	Shraddhanand Mahilashram	1,00,000.00

8	Old age home	Health care	Lodging and boarding	2,00,000.00	2,00,000.00	2,00,000.00	Kamaldham Vriddhashram, Ambernath	2,00,000.00
9.	Social	Mentally otherwise abled	Lodging & Boarding	1,00,000.00	1,00,000.00	1,00,000.00	Ameya Palak Sanghatana,	1,00,000.00
10	Social	Orphanage home	Rehabilitation of tender age children	1,00,000.00	1,00,000.00	1,00,000.00	Janani Ashish Charitable Trust- an orphanage home	1,00,000.00
11.	Medical Camp & Free food	Social	Inculcating hygiene awareness	2,00,000.00	2,00,000.00	2,00,000.00	Shri Akkalkot Swami Seva Mandal	2,00,000.00
12.	Education	Social empowerment	Accommodation of poor children	1,00,000.00	1,00,000.00	1,00,000.00	Ashram Shala Atali, Near Dahej on way to Bharuch	1,00,000.00
13.	Social	Institution for mentally challenged children	Lodging & Boarding	1,00,000.00	1,00,000.00	1,00,000.00	Asmita Vikas Kendra, Nabipur, Bharuch	1,00,000.00
14.	Social	Old age home	Lodging & Boarding	50,000.00	50,000.00	50,000.00	Jayshree Jalaram Sewa Mandal, Bharuch	50,000.00
15.	Social	Welfare of poor children	Education facilities	50,000.00	50,000.00	50,000.00	Pawan Education Trust, Bharuch	50,000.00
16	Economic upliftment	Sewing machine for ladies	Woman empowerment	1,00,000.00	1,00,000.00	1,00,000.00	Group , Gram Panchayat Roth Khurd -Roha	1,00,000.00
17	Education	School	Free education	51,000.00	51,000.00	51,000.00	Sri Ravishankar Vidya Mandir Trust	51,000.00
18.	Woman empowerment and training centre	Health and Welfare	Training and development	1,00,000.00	1,00,000.00	1,00,000.00	Shri Naresh Raut Foundation	1,00,000.00
19.	E- Learning for Students	E- learning and Education	Training and skill development	968800.00	968800.00	968800.00	Mehandale High School,And Other School At Roha	968800.00
20.	Educatio-nal Training	Education	Sponsoring of Research	10,000.00	10,000.00	10,000.00	Paid To "Institute Of Chemical Technology Ioc"	10,000.00
21.	Support during Natural calamity	Food, water and cloth support	Rehabilitation	57840.32	57840.32	57840.32	Paid For Purchase Rajgira Ladu Bill No.856 Date.15.08.2019 Kolhapur / Sangali Flood Donation	57840.32
22.	Safety and protection	Cctv facility	Road Security	75,000.00	75,000.00	75,000.00	Group , Gram Panchayat Roth Budrukh -Roha	75,000.00
								56,24,640.32

Annexure III To The Directors' Report

Form No. Mr-3

Secretarial Audit Report

(For the Financial Year ended 31st March, 2020)

[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,
The Dharamsi Morarji Chemical Company Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Dharamsi Morarji Chemical Company Limited (CIN: L24110MH1919PLC000564) having its registered office at Prospect Chambers 317/21D N Road Fort, Mumbai – 400 001 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information, also electronic data provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable as the Company has not issued any further capital under the regulations during the period under review);
    d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the Company does not have ESOP Scheme/shares);
    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued & listed Debt Securities);
    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted /proposed to delist its equity shares from stock exchange during the financial year under review); and
    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable as the Company has not bought back / proposed to buyback any of its securities during the financial year under review);
6. The Company has identified the following laws as specifically applicable to the Company:
    - Factories Act, 1948
    - Payment of Gratuity Act 1972
    - Payment of Wages Act, 1936
    - Minimum Wages Act, 1947
    - Employee's Provident Funds & Miscellaneous Provisions Act, 1952 and Rules made there under

- Payment of Bonus Act, 1965
- Employee's State Insurance Act, 1948
- Contract Labour (Regulations & Abolition) Act, 1970
- The Maternity Benefits Act, 1961
- The Bombay Shops & Establishment Act, 1948
- Customs Act 1952
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Industrial Employment (Standing Order) Act, 1946

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

ii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's Affairs.

For SKJ & Associates
Company Secretaries

SATISH KUMAR JAIN
Proprietor
(FCS :6398/PCS:6632)
UDIN: F006398B000556411

Place: Mumbai
Date: 6th August,2020

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

Annexure To The Secretarial Audit Report

To,
The Members,
The Dharamsi Morarji Chemical Company Limited
Prospect Chambers 317/21D N Road,
Fort, Mumbai – 400 001

Our 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.
2. We have followed the audit practices and processes as were appropriate to obtained 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 are reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company. We relied on the statutory report provided by the Statutory Auditor of the Company for the financial year ending 31st March, 2020.
4. Wherever required we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit reports neither an assurance as to the future liability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SKJ & Associates
Company Secretaries

SATISH KUMAR JAIN
Proprietor
(FCS :6398/PCS:6632)
UDIN: F006398B000556411

Place: Mumbai
Date: 6th August,2020

Annexure IV To The Directors' Report

Remuneration Details Pursuant To Section 197(12) Of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014.

1. Remuneration paid to the Directors:

The Board of Directors of the Company consists of Two Promoter (Non-Executive) Directors, Five Independent (Non-Executive) Directors and One Executive Director (Managing Director, and Chief Executive Officer). All the Directors (except the Executive Director who receive remuneration from the company) do not receive any remuneration from the Company other than Commission and sitting fees for their attendance in the meeting..

Remuneration to Directors

Details of remuneration paid to directors during the financial year ended 31st March, 2020 are as below:

Sr No	Name of Directors	Board Meeting	Audit Committee Meeting	Nomination and Remuner-ation Committee Meeting	Independent Directors Committee Meeting	Corporate Social responsibility Committee Meeting	Commission	Total	Ratio of Remuneration of Director to the median remuneration
1	Shri Laxmikumar Narottam Goculdas	1,25,000	1,00,000	Nil	Nil	Nil	1618000	1843000	4.972
2	Shri H. T. Kapadia	1,25,000	1,00,000	25,000	25,000	25,000	5,39,000	8,39,000	2.263
3	Shri M. T. Ankleshwaria	1,25,000	1,00,000	25,000	25,000	25,000	5,39,000	8,39,000	2.263
4	Shri A. W. Ketkar	1,25,000	Nil	25,000	25,000	25,000	5,39,000	7,39,000	1.994
5	Ms Mitika L. Goculdas	1,25,000	Nil	Nil	Nil	25,000	5,39,000	6,89,000	1.859
6	Shri Mukul Manoharlal Taly	75,000	Nil	Nil	25,000	Nil	5.39.000	6,39,000	1.724
7	Shri Sanjeev Vishwanath Joshi	1,00,000	25,000	Nil	25,000	Nil	5.39.000	6,89,000	1.859
	Total	8,00,000	3,25,000	75,000	1,25,000	1,00,000	48,52,000	62,77,000	
Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014									
Sr. No.	Name, Age (Years) Designation, Date of Joining		Qualification, Experience			Last Employment held, Name of Employer, post held, shareholding, relationship			
1	Shri Bimal Lalitsingh Goculdas, 51years. Managing Director, and Chief Executive Officer 14th February, 2018		Chemical Engineer from the Institute of Chemical Technology (ICT), Mumbai and M.S. in Chemical Engineering from University of Wyoming, U.S.A. He is a leading Professional with wide experience in Business, Commercial, Technical, Corporate Finance both in India and Abroad			The Dharamsi Morarji Chemical Company Limited, Chief Executive Officer and Manager, 97,200 Equity Shares held in the Company (0.39% of equity share capital). He is related to the Chairman and Vice Chairperson of the company.			
			Salary	Contribution to PF & Superannuation Fund			Perquisites	Total	
			1,41,40,933**			23,49,000	4,98,160	1,69,88,093	49.370
	Total		1,41,40,933**			23,49,000	**4,98,160**	**1,69,88,093**	

** Includes Performance Linked Incentive for the financial year 2018-19 Rs.48,54,000/-, paid during the year.

Median remuneration for the financial year 2019-20 is Rs.3,44,093 (Rs. Three Lakhs Forty-Four Thousand and Ninety-Three Only).

The aforesaid details are calculated on the basis of remuneration for the financial year 2019-20.

The remuneration of Directors (Sr.No.1 to 7) includes only sitting fees and Commission since no other payment was

made to them during the financial year 2019-20.

2. Percentage increase in remuneration of Managing Director, &Chief Executive Officer, Company Secretary and Chief Finance Officer of the Company during the financial year ended 31st March, 2020 are as below:

The percentage increase in the remuneration of the Chief Executive Officer of the Company during the Financial Year ended 31st March, 2020 is 92.91%. The percentage increase was mainly due to:

(i) Remuneration for the financial year 2019-20: Rs.1,69,88,093.00 includes Rs.48,54,000.00 payment of Annual Performance Linked Incentive for the financial year 2018-19, paid during the year 2019-2020. (i.e. Rs.1,21,34,093.00 plus 48,54,000.00 Annual Performance Linked Incentive for the financial year 2018-19 paid during the year 2019-20) and

(ii) Remuneration for the financial year 2018-19: Rs.149,04,875.00 includes Rs.60,98,750.00, the payment of leave encashment paid during the year 2018-19. (i.e. Rs. 88,06,125.00 plus Rs. 60,98,750.00 the payment of leave encashment paid during the year 2018-19).

The percentage increase in remuneration of the Company Secretary of the Company during the financial year ended 31st March, 2020 is 8.85% and the ratio of remuneration and percentage increase of the Chief Finance Officer of the Company during the financial year ended 31st March, 2020 is not reported as he was holding position for part of the previous Financial Year i.e. 2018-19.

3. Percentage increase in the median remuneration of employees of the Company during the financial year ended 31st March, 2020 is 5.66%.

4. The number of permanent employees on the rolls of the Company as on 31stMarch, 2020are361.

5. The explanation on the relationship between average increase in remuneration and Company performance:

   The percentage increase in salary is in line with the market situation, business performance, financial position of the Company.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

   Company's ideology, business performance, financial position, merit increases and annual bonus pay outs of its employees including Key Managerial Personnel are directly linked to individual performance as well as the Company.

7. Variations in the market capitalisation of the Company, price earnings ratio as at the Closing date of the year ended 31st March, 2020 and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of Listed Companies:

	As on31.03.2020 (Rs. InLacs)	As on31.03.2019 (Rs. InLacs)
Market Capitalisation	16,871.86	36,599.35

Price Earnings ratio of the Company is 5.36 as at 31st March, 2020 and was 7.93 as at 31st March, 2019. The company has not come out with public offer of equity shares. Hence the details of the same are not applicable.

8. Average percentile increases 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 increase made in the salaries of employees other than the Managerial Personnel in the period was 19.49% , the reason for increase was due to : (i) new recruitments at Dahej and Roha and (ii) the wage revision agreement for a period of four years at Roha requiring initial increase for the Financial year 2019-20 though the overall increase for the period of increase is in the range of 7 to 8%. The Comparison was not made due to: (i) remuneration and percentage increase of the Chief Finance Officer of the Company during the financial year ended 31st March, 2020 is not reported as he was holding position for part of the previous Financial Year 2018- 19 and (ii) the payment of leave encashment paid during the previous year 2018-19, Rs. 60,98,750/- to the Chief executive Officer of the Company.

9. The Key parameters for any variable component of remuneration availed by the Directors:

   Not applicable as there is no variable component of remuneration availed by the Directors during the financial year ended 31stMarch, 2020.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director of the Company during the financial year ended 31st March, 2020. Not Applicable

11. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Annexure V of Director's Report - Form No. Mgt-9

Extract of annual return as on the financial year ended on 31.03.2020

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration And Other Details:

(i)	CIN	L24110MH1919PLC000564
(ii)	Registration date	25/09/1919
(iii)	Name of the company	The Dharamsi Morarji Chemical Co. Ltd.
(iv)	Category/sub-category of the company	Company Limited by Shares / Indian Non-Government Company
(v)	Address of the registered office and contact details	Prospect Chambers, 317/321, Dr. D.N. Road, Fort, Mumbai 400001 Maharashtra Tel. 022-22048881-2-3 Fax: 022-22852232 www.dmcc.com dgokhale@dmcc.com
(vi)	Whether listed company	Yes – on BSE Limited
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-101, 247 Park, LBS Marg, Vikhroli (W) Mumbai 400 083 Maharashtra Tel.: +91 22-49186270 Fax: +91 22-49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: linkintime.co.in

ii. Principal Business Activities Of The company

All the business activities contributing 10% or more of the total turnover of the company are:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Other Chemicals	202	99.62 %

iii. Particulars Of Holding, Subsidiary And Associate Companies (Post-Merger)

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ associate	% of shares held	Applicable Section
1.	Borax Morarji (Europe) GmbH	Nil	Subsidiary	100 %	2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

*(i) Category-wise shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During The year
	Demat	*Physical*	*Total*	*% of Total Shares*	*Demat*	*Physical*	*Total*	*% of Total Shares*	
A. Promoter									
1. Indian									
a. Individual/ HUF	1,83,751	51,225	2,34,976	0.94	1,83,751	17,412	2,01,163	0.80	(0.14)

b. Central Govt	-	-	-	-					
c. State Govt(s)	-	-	-	-					
d. Bodies Corp	37,69,298	3,000	37,72,298	15.13	37,69,298	3,000	37,72,298	15.13	0
e. Banks / FI									
f. Any Other									
Sub-total(A)(1):-	**39,53,049**	**54,225**	**40,07,274**	**16.07**	**39,53,049**	**20,412**	**39,73,461**	**15.93**	**(0.14)**
2. Foreign									
a. NRIs-Individuals	92,80,776	600	92,81,376	37.21	93,14,589	600	93,15,189	37.35	0.14
b. Other-Individuals									
c. Bodies Corp									
d. Banks / FI									
e. Any Other									
Sub-total(A)(2):-	92,80,776	600	92,81,376	37.21	93,14,589	600	93,15,189	37.35	0.14
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)									
B. Public Shareholding	1,32,33,825	54825	1,32,88,650	53.28	1,32,67,638	21012	1,32,88,650	53.28	-
1. Institutions									
a. Mutual Funds	0	4909	4909	0.02	0	4909	4909	0.02	-
b. Banks / FI	1,232	3,03,749	3,04,981	1.22	1,239	3,03,742	3,04,981	1.22	-
c. Central Govt									
d. State Govt(s)									
e. Venture Capital Funds	0	0	0	0	0	0	0	0	-
f. Insurance Companies	4,232	200	4,432	0.02	4,232	200	4,432	0.02	-
g. Alternate Investment Funds	0	0	0	0	0	0	0	0	
h Foreign Portfolio Investor	1,15,791	0	1,15,791	0.46	93,732	0	93,732	0.38	(0.08)
i Others (NBFC's registered with RBI)	3700	0	3700	0.02	2200	0	2200	0.01	(0.01)
Sub-total(B)(1)	**1,24,955**	**3,08,858**	**4,33,813**	**1.74**	**1,01,403**	**3,08,851**	**4,10,254**	**1.65**	**(0.09)**
2. Non-Institutions									
(a) Bodies Corp.	6,34,340	19,774	6,54,114	2.62	5,76,363	19,423	5,95,786	2.39	(0.23)
i. Indian									
ii. Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital upto 1Lakh	43,31,570	8,10,551	51,42,121	20.62	35,44,848	6,98,269	42,43,117	17.01	(3.61)
ii. Individual shareholders holding nominal share capital in excess of 1 Lakh	36,88,427	28,182	37,16,609	14.90	45,96,919	99,509	46,96,428	18.83	3.93
(c) Others (HUF specify)	**12,46,731**	**150**	**12,46,881**	**5.00**	**12,55,314**	**150**	**12,55,464**	**5.03**	**0.03**
i. Clearing Members	19,842	0	19,842	0.08	4,418	0	4,418	0.02	(0.06)

ii. Non-Resident Indians (Repat)	68,055	77,117	1,45,172	0.58	59,586	76,832	1,36,418	0.55	(0.03)
iii. Non-Resident Indians (Non Repat)	1,,28,139	24946	153085	0.62	151505	24680	176185	0.71	0.09
iv. Trusts	13,563	0	1,39,563	0.56	1,32,563	0	1,32,563	0.53	(0.03)
v. Trust Employee	0	0	0	0	301	0	301	0	0
vi. Others Foreign Nationals	83	0	83	0	349	0	349	0	0
Sub-total(B)(2):-	**1,02,56,750**	**9,60,720**	**1,12,17,470**	**44.98**	**1,03,22,166**	**9,18,863**	**1,12,41,029**	**45.07**	**0.09**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**1,03,81,705**	**12,69,578**	**1,16,51,283**	**46.72**	**1,04,23,569**	**12,27,714**	**1,16,51,283**	**46.72**	**0**
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	-	Nil	Nil	Nil	Nil	0
Grand Total (A+B+C)	**2,36,15,530**	**13,24,403**	**2,49,39,933**	**100**	**2,36,91,207**	**12,48,726**	**2,49,39,933**	**100**	**0**

(ii) Shareholding of promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year shares
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered total	No. of shares	% of total shares of the company	% of shares pledged/ encumbered total shares	
1.	Bimal Lalitsingh Goculdas	97,200	0.39	Nil	97,200	0.39	-	-
2.	Sonali B. Goculdas	43,988	0.18	Nil	43,988	0.18	-	-
3.	Harisingh Narottamdas Goculdas	2,838	0.01	Nil	2,838	0.01	-	-
4.	Kosan Industries Pvt. Ltd.	3,000	0.01	Nil	3,000	0.01	-	-
5.	Lalit N. Goculdas	3,127	0.01	Nil	0	0	-	(0.01)
6.	Radha Lalit Goculdas	3,728	0.02	Nil	6,855	0.03	-	0.01
7.	Ranchoddas Mathradas Goculdas	50,282	0.20	Nil	50,282	0.20	-	-
8.	Bharati Laxmikumar Goculdas	4,54,145	1.82	Nil	4,54,145	1.82	-	-
9.	The Natural Gas Co.Pvt. Ltd.	10,80,222	4.33	Nil	10,80,222	4.33	-	-
10.	Phoenix Distributors Pvt. Ltd.	11,82,270	4.74	Nil	11,82,270	4.74	-	-
11.	Jasraj Trading Company	10,50,806	4.21	Nil	10,50,806	4.21	-	-
12.	L.P. Gas Equipment Private Ltd.	4,56,000	1.83	Nil	4,56,000	1.83	-	-
13.	Laxmikumar Narottam Goculdas	88,27,231	35.39	Nil	88,61,044	35.53	-	0.14
14.	Ophelia Desai.	33,813	0.14	Nil	0	0	-	(0.14)
	Total	**1,32,88,650**	**53.28**	**Nil**	**1,32,88,650**	**53.28**	**-**	**(0.14)**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year/ Shareholding at the end of the Year		% change in shareholding during the year shares
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company	No. of Shares/ % of change/ Date
	At the beginning of the Year 01.04.2019	1,32,88,650	53.28%			
1.	Laxmikumar Narottam Goculdas	88,27,231	35.39%	88,61,044	35.53%	+33,813 0.14% 19-04-2019
2.	Ophelia Fernandez	33,813	0.14%	0	0	(33,813 (0.14%) 19-04-2019)
3.	Phoenix Distributors Pvt. Ltd.	11,82,270	4.74%	11,82,270	4.74%	0
4.	The Natural Gas Co. Pvt. Ltd.	10,80,222	4.33%	10,80,222	4.33%	0
5.	Jasraj Trading Company	10,50,806	4.21%	10,50,806	4.21%	0
6.	L.P. Gas Equipment Pct. Ltd.	4,56,000	1.83%	4,56,000	1.83%	0
7.	Bharti Laxmikumar Goculdas	4,54,145	1.82%	4,54,145	1.82%	0
8.	Bimal Lalitsingh Goculdas	97,200	0.39%	97,200	0.39%	0
9.	Ranchoddas Mathradas Goculdas	50,282	0.20%	50,282	0.20%	0
10.	Sonali B. Goculdas	43,988	0.18%	43,988	0.18%	0
11.	Radha L. Goculdas	3,728	0.02%	6855	0.03%	+3,127 0.01% 27-12-2019
12.	Lalit N. Goculdas	3,127	0.01%	0	0	- (3,127) 0.01% 27-12-2019
13.	Kosan Industries Pvt. Ltd.	3,000	0.01%	3,000	0.01%	0
14.	Harisingh Narottamdas Goculdas	2,838	0.01%	2,838	0.01%	0
	Changes effected to Promoter Group holding	During the Year no change effected except interchange among the group as above in two folios.				
	At the end of the year – As on 31-03.2020				**1,32,88,650**	**53.28**

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2019		Shareholding at the end of the year 31/03/2020		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
1	Girish Gulati (HUF)	01/11/2019 08/11/2019	Decrease/Transfer Decrease/Transfer	5,70,007	2.29	(12691) (883)	5,57,316 5,56,433	2.23 2.23
2	Sanjay Katkar	23/11/2018	Increase/Transfer	4,02,551	1.61	13,000	4,15,551	1.66
3	Jayantilal Premji Shah			4,15,000	1.66		4,15,000	1.66
4	Chetan Jayantilal Shah			2,40,000	0.96		2,40,000	0.96
5	Bhadra Jayantilal Shah			2,40,000	0.96		2,40,000	0.96
6	Ajay Upadhyaya			2,31,000	0.92		2,31,000	0.92
7	Kailash Sahebrao Katkar			1,75,253	0.70		1,75,253	0.70
8	Industrial Development Bank of India			1,73,451	0.69		1,73,451	0.69
9	Saurabh Jain			10,005	0.04			
		05/04/2019	Decrease/Transfer			(5)	10,000	
		12/04/2019	Increase/Transfer			5,255	15,255	
		19/04/2019	Increase/Transfer			4,745	20,000	
		26/04/2019	Increase/Transfer			3,852	23,852	
		03/05/2019	Increase/Transfer			3,870	27,722	
		10/05/2019	Increase/Transfer			12,278	40,000	
		24/05/2019	Increase/Transfer			3,305	43,305	
		31/05/2019	Increase/Transfer			29,695	73,000	
		07/06/2019	Increase/Transfer			27,000	1,00,000	
		12/07/2019	Increase/Transfer			11,050	1,11,050	
		19/07/2019	Increase/Transfer			298	1,11,348	
		26/07/2019	Increase/Transfer			9,540	1,20,888	
		02/08/2019	Increase/Transfer			4,112	1,25,000	
		10/01/2020	Increase/Transfer			25,000	1,50,000	
		06/03/2020	Increase/Transfer			6,800	1,56,800	0.64
		13/03/2020	Increase/Transfer			3,200	1,60,000	
10	Chetan Jayantilal Shah			1,40,000	0.56			-
							1,40,000	0.56

(The Shares of the Company are traded on a daily basis and hence the date wise increase/ decrease in shareholding is not indicated.

Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Laxmikumar Narottam Goculdas	1/4/2019		88,27,231	35.39		
				33,813	0.14		
		31/3/2020		88,61,044	35.53	88,61,044	35.53
2	Shri Haridas Tricumdas Kapadia	1/4/2019		11,107	0.04		
		31/3/2020		11,107	0.04	11,107	0.04
3	Shri Arvind Wasudeo Ketkar	1/4/2019		324	0.01		
		31/3/2020		324	0.01	324	0.01
4	Shri Madhu Thakorlal Ankleshwaria	1/4/2019		225	-		
		31/03/2020		225	-	225	-
5	Shri Sanjeev Vishwanath Joshi	1/4/2019		4,435	0.02		
		31/03/2020		4,,435	0.02	4435	0.02
6	Shri Bimal Lalitsingh Goculdas	1/4/2019		97,200	0.39		
		31/3/2020		97,200	0.39	97,200	0.39
7	Shri Dilip Trimbak Gokhale	1/4/2019		150	-		
		31/3/2020		150	-	150	-

(vi) Indebtedness

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount	1,476.36	414.43	-	1890.79
II. Interest due but not paid	-	-	-	-
III. Interest accrued but not due	-	-	-	
Total (I + II + III)	**1,476.36**	**414.43**	**-**	**1890.79**
Change in Indebtedness during the financial year				
• Addition	1,192.00	-	-	1,192.00
• Reduction	(490.79)	(380.11)	-	(870.90)
Net Change	701.21	(380.11)	-	321.11
Indebtedness at the end of the financial year				
i. Principal Amount	2,177.57	34.32	-	2,211.89
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	**2,177.57**	**34.32**	**-**	**2,211.89**

(vii) Remuneration Of Directors And Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in Rupees

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Shri Bimal Lalitsingh Goculdas
		Managing Director, & CEO
1.	Gross salary	
	(a)Salary as per provisions contained in section 17(l) of the Income-tax Act, 1961.	**1,41,40,933
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961.	4,98,160
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	
2.	Stock option	-
3.	Sweat equity	-
4.	Commission	-
	- as % of profit	-
	- others, specify....	-
5.	Others (Please specify)- Retirals	23,49,000
	Total (A)	****1,69,88,093**

** Includes Performance Linked Incentive for the financial year 2018-19 Rs.48,54,000/-,paid during the year.

B. Remuneration to other directors (Refer Corporate Governance Report for details):

Amount in Rupees

Sr. No	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Mr. Haridas Tricumdas Kapadia	Mr. Madhu Thakorlal Ankleshwaria	Mr.Arvind Wasudeo Ketkar	Mr. Mukul Manoharlal Taly	Mr. Sanjeev Vishwanath Joshi	
	Fee for attending Board/ Committee meetings	3,00,000	3,00,000	2,00,000	1,00,000	1,50,000	10,50,000
	Commission	5,39,000	5,39,000	5,39,000	5,39,000	5,39,000	26,95,000
	Others, please specify						
	Total (B) (I)	**8,39,000**	**8,39,000**	**7,39,000**	**6,39,000**	**689000**	**37,45,000**
2.	Other Non-Executive Directors	Mr. Laxmikumar Narottam Goculdas		Ms. Mitika Laxmikumar Goculdas			Total
	Fee for attending Board/ Committee meetings		2,25,000		1,50,000		3,75,000
	Commission		16,18,000		5,39,000		21,57,000
	Others, please specify		-		-		-
	Total (B) (2)		**18,43,000**		**6,89,000**		**25,32,000**
	Total (B) = (1 + 2) Total Managerial Remuneration						**62,77,000**

C. Remuneration to key managerial personnel other thanMD/Manager/WTD

Amount in Rupees

Sr.No	Particulars of Remuneration	Key Managerial Personnel		
		Mr. D.T. Gokhale Sr.Executive Vice President & Company Secretary	Mr. Chirag J. Shah Chief Finance Officer	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	36,53,600	34,44,763	70,98,363
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961.	72,257	8,100	80,357
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	- as % of profit			
	- others, specify			
5.	Others, please specify			
	Total	**37,25,857**	**34,52,863**	**71,78,720**

(viii) Penalties/Punishment/Compounding of Offences:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020

Form No. 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) Rule, 2014)

Part "A" Subsidiaries

Sr. No	Name of the Subsidiary	Borax Morarji (Europe) GmBh
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-01-2019 to 31-12-2019
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	EURO
3	Share capital	25,000.00
4	Reserves & surplus	28,578.15
5	Total assets	69,530.35
6	Total Liabilities	69,530.35
7	Investments	-
8	Turnover	1,88,381.96
9	Profit before taxation	6,579.86
10	Provision for taxation	2,057.94
11	Profit after taxation	4,521.92
12	Proposed Dividend	-
13	% of shareholding	100%

CEO AND CFO CERTIFICATION

We, Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer (CEO) and Shri. Chirag J. Shah, Chief Finance Officer (CFO) of The Dharamsi Morarji Chemical Company Limited to the best of our knowledge and belief, certify that:

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2020 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the Auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee:
   a. There have been no significant changes in internal control system during the year;
   b. There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c. There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Faithfully

Bimal Lalitsingh Goculdas
Managing Director & CEO
Place: Mumbai
Date: 11th May, 2020

Chirag J. Shah
Chief Finance Officer

REPORT ON CORPORATE GOVERNANCE 2019-2020

1. Company's philosophy on Code of Governance

Your Company strongly believes that its system of Corporate Governance protects the interests of all the stakeholders by inculcating transparent business operations and accountability from management. The Core Values Viz. Customer Focus, Team Work, Leadership, Innovation, Respect for People, Integrity and Performance, guide the Company towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations. Accordingly, your Company has been practicing the broad principles of Corporate Governance over the years by placing strong emphasis on transparency, empowerment, accountability and integrity so as to continuously enhance values for stake holders - the shareholders, the customers, the employees and the creditors.

2. Governance Structure

The Corporate Governance structure of the Company is as follows:

i. Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

ii. Committees of the Boards (hereinafter called "Committees"). The Board has constituted the following Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Independent Directors' Committee, Stakeholder/Investor and Grievance Committee. Each of the said Committee has been mandated to operate within a given framework.

3. Board of Directors

Composition & Size of the Board

Your Board comprises of an optimal complement of independent professionals having in-depth knowledge of the business and the industry. The size and composition of the Board conforms with the requirements of the Corporate Governance code under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ('SEBI Listing Regulations') as amended from time to time. The Board is headed by the Non-Executive Chairman, Shri Laxmikumar Narottam Goculdas. As on 31st March, 2020 the Board comprised of 8 Directors (including 1-woman Director). Out of the 8 Directors 7 Directors were Non-Executive Directors. The Non-Executive Directors are eminent industrialists and professionals with vast experience in over-all management and finance, who bring a wide range of skills and experience to the Board. Out of these 8 Directors, 5 were Independent Directors, 2 Promoter Non-Executive Directors and 1 Executive Director (Managing Director, and Chief Executive Officer), thereby complying with the requirements of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations.

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board meeting.

The notice of each Board Meeting is given in writing to each Director. The Agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company

Intimation given to the Board

The Company provides the information as set out in Regulation 17 (7) read with Part A of Schedule II of SEBI Listing Regulations to the Board and the Board committees to the extent it is applicable and relevant. Such information is submitted either as part of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions.

Board Support

The Company Secretary attends the Board/Committee meetings and advises on Compliances with applicable laws and governance.

The information as required under Regulation 17 (7) read with Part A of Schedule II of SEBI Listing Regulations) is being made available to the Board.

None of the Directors was a member of more than 10 Board- level committees nor a Chairman of more than 5 such committees, across all Companies in which he was a Director.

Number of Board Meetings held during the year along with the dates of the Meetings:

Five Board Meetings were held during the financial year ended 31st March, 2020. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and SEBI Listing Regulations. The dates on which the said meetings were held are as follows:

28th May, 2019, 13th August, 2019, 20th September, 2019, 30th October, 2019 and 09th February, 2020.

Attendance of each Director at the Board Meetings held during the financial year ended 31st March, 2020 and last Annual General Meeting and No. of other Directorships / Memberships of the Committee:

Sr. No.	Name of Directors	Category of Directorship (designation as on 31.03.2020)	No. of Board Meetings attended (out of 5 Meetings held)	Attendance at last AGM	No. of other Directorships as on 31.03.2020@	No. of Board Committees of other companies in which Chairman, as on 31.03.2020	No. of Board Committees of other companies in which Member, as on 31.03.2020
1	Shri Laxmikumar Narottam Goculdas DIN 00459347	Chairman, Promoter, Non-Executive	5	Yes	Nil	Nil	Nil
2	Ms Mitika L. Goculdas DIN 02879174	Vice Chairperson, Promoter, Non-Executive	5	Yes	Nil	Nil	Nil
3	Shri H. T. Kapadia DIN 00125090	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
4	Shri M. T. Ankleshwaria DIN 02753794	Non-Executive, Independent	5	Yes	1@@	1	2
5	Shri A. W. Ketkar DIN 02863429	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
6	Shri Mukul Manoharlal Taly DIN 01334360	Non-Executive Independent Director,	3	Yes	Nil	Nil	Nil
7	Shri S. V. Joshi DIN 00392020	Non-Executive Independent Director,	4	Yes	Nil	Nil	Nil
8	Shri Bimal Lalitsingh Gouldas DIN 00422783	Executive Director, Managing Director, and C.E.O	5	Yes	Nil	Nil	Nil

@ Excludes Foreign Companies, Private Companies Alternate Directorships.

@@ Director in Avik Pharmaceuticals Ltd.

Pursuant to the amended Listing Regulations, the list of core skills / expertise / competencies identified by the Board in the context of the Company's business and sector in which it operates and those available with the Board are given as under:

- Knowledge of business of chemicals
- Understanding of the financials
- Familiarity with the laws applicable to the business
- Governance

All the Directors of the Company possess the above skills / expertise / competencies .

Details of Directors being appointed and re-appointed at the ensuing Annual General Meeting to be held on 14th September, 2020.

As per the Companies Act, 2013, not less than two-third of the Directors should be retiring Directors. One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment.

Accordingly, Shri Laxmikumar Narottam Goculdas retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

A brief resume of the Directors being appointed/eligible for re-appointment are as follows:

Shri Laxmikumar Narottam Goculdas

Shri Laxmikumar Narottam Goculdas, Chairman of the Company has wide knowledge and experience in industry, trade, finance, commerce, corporate affairs and international trade.

Independent Directors

The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with requirement of Regulation 16 of the SEBI Listing Regulations and are independent of Management. A Formal letter of appointment to Independent Director as provided in Companies Act, 2013 and SEBI Listing Regulations has been issued and disclosed on the website of the Company viz. www.dmcc.com .

Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 13th February, 2020, the five Independent Directors of the Company existing as on the date and time of meeting attended the meeting, inter alia to discuss the following:

a. Evaluation of the performance on Non-Independent Directors and the Board as a whole;

b. Evaluation of the performance of Chairperson of the Company, taking into account the views of Non Executive Directors; and

c. Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The details of the familiarization programme of the Independent Directors are available on the website of the Company viz. www.dmcc.com

4. Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter or appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI Listing Regulations and other relevant regulations and affirmation taken with respect to the same. The Chairman and CEO also has one to one discussion with the newly appointed Directors to familiarise him with the Company's operations. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company. The details of the familiarization programme have been displayed on the Company's website.

5. Audit Committee

Composition, Terms and Reference

The Audit Committee comprises of Four Non-Executive Directors of which three are Independent Directors viz. Shri H. T. Kapadia as the Chairman (Independent Director), Shri M. T. Ankleshwaria (Independent Director) and Shri Sanjeev Vishwanath Joshi as members. Shri Laxmikumar Narottam Goculdas, Non-Executive Promoter Director is also a member of the Audit Committee. Shri D. T. Gokhale, Company Secretary, acts as the Secretary to the Committee.

The role, terms of reference, authority and power of Audit Committee are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Rules 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations

Meeting and the attendance during the financial year ended 31st March, 2020.

Four Meetings of the Audit Committee were held during the financial year ended 31st March, 2020 as given below. The attendance of each Committee member at the Audit Committee Meetings are given below:

Dates on which Audit Committee Meeting were held	Shri H. T. Kapadia	Shri Laxmikumar Narottam Goculdas	Shri M. T. Ankleshwaria	Shri Sanjeev Vishwanath Joshi
28.05.2019	Present	Present	Present	NA
13.08.2019	Present	Present	Present	NA
30.10.2019	Present	Present	Present	NA
09.02.2020	Present	Present	Present	Present

All the meetings were attended by the Managing Director, and Chief Executive Officer, Company Secretary, Chief Finance Officer (except one), Internal Auditor (except two) and Statutory Auditors.

All the members of the Audit Committee are financially literate and also possess the requisite accounting & related financial management expertise.

6.Nomination and Remuneration Committee Composition

The Nomination and Remuneration Committee comprises of three Non-Executive, Independent Directors. Shri Haridas Tricumdas Kapadia, Non-Executive, Independent Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Shri Arvind Wasudeo Ketkar and Shri Madhu Thakorlal Ankleshwaria. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Sections 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations (disclosed at the website of the Company viz. www.dmcc.com .

Meeting and Attendance

The Nomination and Remuneration Committee members held their meeting on 28th May, 2019. The necessary quorum was present, since all the members attended the meetings The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination and Remuneration Committee members:

Dates on which Audit Committee Meeting were held	Shri H. T. Kapadia	Shri A W Ketkar	Shri M. T. Ankleshwaria
28.05.2019	Present	Present	Present

7. Remuneration to Directors

Details of remuneration paid to non-executive directors during the financial year ended 31st March, 2020 are as below:

Sr. No.	Name of Directors	Board Meeting	Audit Committee Meeting	Nomination And Remuneration Committee Meeting	Independent Directors Committee Meeting	Corporate Social Responsibility Committee Meeting	Commi-ssion	Total	No. of equity shares held as on 31.03.2020
1	Shri Laxmikumar Narottam Goculdas	1,25,000	1,00,000	Nil	Nil	Nil	16,18,000	18,43,000	8861044
2	Ms Mitika L. Goculdas	1,25,000	Nil	Nil	Nil	25,000	5,39,000	6,89,000	Nil
3	Shri H. T. Kapadia	1,25,000	1,00,000	25,000	25000	25,000	5,39,000	8,39,000	11107
4	Shri M. T. Ankleshwaria	1,25,000	1,00,000	25,000	25,000	25,000	5,39,000	8,39,000	225
5	Shri A. W. Ketkar	1,25,000	Nil	25,000	25,000	25,000	5,39,000	7,39,000	324
6	Shri Mukul Manoharlal Taly	75,000	Nil	Nil	25,000	Nil	5,39,000	6,39,000	Nil
7	Shri S. V. Joshi	1,00,000	25,000	Nil	25,000	Nil	5,39,000	6,89,000	4435
	Total	**8,00,000**	**3,25,000**	**75,000**	**1,25,000**	**1,00,000**	**48,52,000**	**62,77,000**	**8877135**

Relation between the Directors

None of the Directors of the Company except Shri Laxmikumar Narottam Goculdas (father of Ms. Mitika Laxmikumar Goculdas), Ms. Mitika Laxmikumar Goculdas (Daughter of Shri Laxmikumar Narottam Goculdas) and Shri Bimal Lalitsingh Goculdas the Nephew of Shri Laxmikumar Narottam Goculdas and cousin brother of Ms. Mitika Laxmikumar Goculdas are related to each other.

Remuneration to "Managing Director" and "Chief Executive Officer"

Details of remuneration paid/payable to Managing Director and Chief Executive Officer during the financial year 31st March, 2020 are as below:

(excludes contribution to Gratuity Fund & Leave Encashment on retirement, since same is provided on actuarial basis for the Company as a whole).

(Amount in Rupees)

Name & Designation	Salary	Contribution to PF & Superannuation Fund	Perquisites	Total
Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer	**14140933	2349000	498160	**16988093

** Includes Performance Linked Incentive for the financial year 2018-19 Rs.48,54,000/-, paid during the year.

The term of contract of Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer of the Company, is from 01-04-2018 to 31-03-2023. No severance fees or stock option are available to him.

Relation of the Managing Director, and Chief Executive Officer with Directors

Shri Bimal Lalitsingh Goculdas, Managing Director and Chief Executive Officer of the Company is related to Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas.

Remuneration Policy

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary, the Chief Executive Officer is paid remuneration as per the Agreements entered into between him and the Company. The remuneration structure of the Chief Executive Officer comprises of Salary, H.R.A., Commission/ Performance Linked Incentive, Perquisites, Contribution to Provident Fund & Superannuation and Gratuity.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman, Managing Director and the Non-Independent Director were carried out by the independent Directors. The Directors express their satisfaction with the evaluation process.

8. Shareholder /Investor Grievance Committee

The Shareholder/Investor Grievance Committee comprises of Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) as Chairman of the Committee with Shri. H. T. Kapadia, Director as other member. The Committee is vested with the requisite powers and authorities. In addition to the Share Transfer related matters, the committee specifically looks into the redressing of shareholders' and investors' complaints, if any, like delayed transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc. Shri D. T. Gokhale, Company Secretary has been appointed as the Compliance Officer.

Composition and attendance

This Committee comprises of Two Directors. Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) is the Chairman of the Committee. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.

Sr. No.	Name of the Directors	Role	Category	No. of Meetings attended
1	Shri Laxmikumar Narottam Goculdas,	Chairman	Non-Executive Promoter	5 of 5
2	Shri Haridas Tricumdas Kapadia	Member	Non-Executive Independent	5 of 5

Details of Shareholders' Complaints Received, solved and pending Share Transfer

The total number of complaints received and replied to the shareholders during the year ended March 31, 2020 were 3 as per details given below. There were no complaints outstanding as on 31st March, 2020. The number of pending share transfers and pending requests for dematerialization as on 31st March, 2020. were Nil. Shareholders/Investors complaints and other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/pending for more than thirty days as on 31st March, 2020.

Sr. No.	Nature of Complaints	Complaint Received	Complaint Redressed
1	Non receipt of share certificate/duplicate shares etc.	3	3

Corporate Social Responsibility Committee

Composition

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted, which comprises of four Directors, Ms Mitika Laxmikumar Goculdas is the Chairperson of the Committee. The other members of the CSR Committee include Shri Haridas Tricumdas Kapadia, Shri Madhu Thakorlal Ankleshwaria and Shri Arvind Wasudeo Ketkar. The Composition of CSR Committee is pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as per Section 135 of the Companies Act, 2013.

The Company has formulated a CSR Policy and the same has been uploaded on the website of the Company (www.dmcc.com)

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR initiatives to be undertaken by the Company and to monitor progress.

Meeting and Attendance:

The CSR Committee meeting held on 09th February, 2020. The necessary quorum was present for the Meeting. The Composition of the CSR Committee as at 09th February, 2020 and the details of meetings of the Committee are as under:

Sr. No.	Name	Position	Category	No. of Meeting attended
1	Ms. Mitika Laxmikumar Goculdas	Chairperson	Non-Executive Promoter	1 of 1
2	Shri H. T. Kapadia	Member	Non-Executive Independent	1 of 1
3	Shri M. T. Ankleshwaria	Member	Non-Executive Independent	1 of 1
4	Shri A. W. Ketkar	Member	Non-Executive Independent	1 of 1

9. General Meetings and Postal Ballots

The details of last three Annual General Meetings of the Company and the Special Resolutions passed there at are as follows:

a) 98th Annual General Meeting was held on 20.09.2019 at 11.30 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020.

The following Special Resolutions were passed at the meeting:

i. Special Resolution for (Item 6) the continuation of directorship of Shri Haridas Tricumdas Kapadia

(DIN: 00125090) as an Independent Director of the Company to hold office for another term of 1 (One)

year with effect from 17th September, 2019 up to 16th September, 2020.

ii. Special Resolution for (Item 7) the continuation of directorship of Shri Madhu Thakorlal Ankleshwaria

(DIN:02753794) as an Independent Director of the Company to hold office for another term of 5 (five)

consecutive years with effect from 17th September, 2019 up to 16th September, 2024.

iii. Special Resolution for (Item 8) the continuation of directorship of Shri Arvind Wasudeo Ketkar

(DIN: 02863429) as an Independent Director of the Company to hold office for another term of 1 (One)

year with effect from 17th September, 2019 up to 16th September, 2020.

b) 97th Annual General Meeting was held on 26.09.2018 at 11.30 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020.

The following Special Resolutions were passed at the meeting:

i. Special Resolution for (Item 12) the continuation of directorship of Shri Laxmikumar Narottam

Goculdas (DIN: 00459347) after his attaining the age of seventy-five years on 16/09/2018.

ii. Special Resolution for (Item 13) the continuation of directorship of Shri Haridas Tricumdas Kapadia

(DIN: 00125090) after his attaining the age of seventy-five years.

iii. Special Resolution for (Item 14) the continuation of directorship of Shri Arvind Wasudeo Ketkar

(DIN: 02863429) after his attaining the age of seventy-five years.

c) 96th Annual General Meeting was held on 26.12.2017 at 11.00 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020. No Special Resolution was passed at the meeting.

During the year 2019-2020, no Resolution was put through Postal Ballot.

During the year 2018-2019, no Resolution was put through Postal Ballot.

During the year 2017-2018, no Resolution was put through Postal Ballot.

Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

10. Disclosures

a) Code of Conduct

The Board of Directors has adopted the Code of Business Conduct and Ethics for the Directors and the members of the Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. the MD and CEO has signed the declaration stating that the members of the Board of Directors and Senior Management personnels have affirmed compliance with the said code for the year ended 31st March 2020. The Code has also been posted on the Company's website **www.dmcc.com**

b) At every Board Meeting and Audit Committee Meeting, the Register of Contracts maintained Under Section 189 of the Companies Act, 2013 is tabled and signed by the Directors.

c) Transactions with the related parties are disclosed in Note No. 42 of the Notes to the Accounts in the Annual Report. None of the related party's transactions are in conflict with the interests of the Company at large. RPT Policy on materiality and dealing with related party of the Company are posted on the Company's website (URL http://dmcc.com/investors).

d) There was no non-compliance during the last three years by the Company on any matter related to Capital Market. Consequently, no penalties were imposed nor any strictures were passed on the Company by the BSE Limited, Mumbai (on which the Company's equity shares are listed), SEBI or any other statutory authority.

e) The Company has complied with all the mandatory requirements of SEBI Listing Regulations.

f) Related Party Transactions - There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Register of Contracts for the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in note number 42 of the notes forming part of Accounts, as per Ind AS 24.

g) The Company has adopted Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.

11. CEO/CFO Certification

The Chief Executive Officer and the Chief Finance Officer of the Company have furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements for the financial year ended 31st March, 2020 and adequacy of internal controls as required in terms of Regulation 17(8) of the Listing Regulations, for the financial year 2019-20 and the same was placed before the Board at its meeting held on 11th May, 2020.

12. Means of Communications

a) Quarterly Financial Results of the Company are forwarded to the Stock Exchange, viz. BSE Limited, Mumbai and published in "Free Press Journal" and "Navshakti" newspapers.

b) Company has its own web site and all the vital information relating to the Company, its products and its financial results are displayed at the web site. Address of the web site is www.dmcc.com.

c) Management Discussion & Analysis Report forms part of Directors' Report. No presentations were made to the institutional investors or analysts during the year.

13. Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted Capital with NSDL and CDSL and total issued and listed capital of the Company as per books. The Secretarial Audit report confirms that the total issued / paid-up capital is in accordance with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

14. Details of compliance with mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and adoption of the non-mandatory requirements of Regulation 27(1) of the Listing Regulations.

The Company is in compliance with all the mandatory provisions related to Corporate Governance pursuant to the requirement of the Listing Regulations read with other applicable provisions, if any.

The status of compliance with non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

(a) Non-Executive Chairman's office - The Company is having non-executive chairman. The Company does not incur any expenses for maintaining Chairman's office.

(b) Shareholders' Rights: As the half-yearly/yearly (including quarterly) financial performance are published in the newspapers and are also posted on the Company's website. The Company also used to report significant events to the stock exchange viz. BSE Limited from time to time. Hence, the same are not being sent to the shareholders.

(c) Audit Qualifications: During the period under review, there is no audit qualifications in the Company's financial statements. DMCC continues to adopt best practices to ensure a regime of unqualified financial statements.

(d) Separate posts of Chairman and CEO: The Chairman of the Board is a Non-executive Promoter Director and his position is separate from that of the Managing Director, and CEO of the Company. The Company is in compliance of the requirement. Mr. Laxmikumar Narottam Goculdas is Non-executive Promoter Chairman and Mr. Bimal Lalitsingh Goculdas is Managing Director, and CEO of the Company as per the SEBI (LODR) (Amendment) Regulations, 2018.

(e) Reporting of internal Auditor: The Company is having independent Internal Auditor (separate from the employees) viz. M/s Mahajan & Aibara, Chartered Accountants, Mumbai. The Internal Auditors used to send their reports to the Managing Director, and CEO of the Company/ Board person authorised for this purpose and in turn the reports were circulated to the members of the Audit Committee for their perusal.

14(i) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under regulation 32(7A).

This clause is not applicable to the Company as the Company has not raised any funds through preferential allotment and / or QIP.

14(ii) Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.

The Company has obtained a certificate from Shri Satish Kumar Jain, Practicing Company Secretary of M/s SKJ & Associates, being Fellow Member No.FCS6398/PCS6632 of the Institute of Company Secretaries of India, regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e. SEBI) / Ministry of Corporate Affairs or any such statutory authority.

14(iii) Total fees for all services paid by The Dharamsi Morarji Chemical Company Limited and its subsidiary, on a consolidated basis, to Rahul Gautam Divan & Associates and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended March 31, 2020, is as follows :

(Amount in Rupees)

Audit Fees paid for the year 2019-20 - Rahul Gautam Divan & Associates	8,00,000
Fees for Corporate Governance Certification	90,000
Fees for Limited Reviews	3,00,000
Fees for Certification of Consolidation	10,000
Other Services	30,000
Out of Pocket expenses for the year	37,000
Total payment made during the year 2019-2020	12,67,000

14(iv) The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

The Company is in compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

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

Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on end of the financial year	NIL

15. General Shareholder Information 99th Annual General Meeting

Date: Monday, 14th September, 2020

Time: 11.30 a.m.

The Annual General Meeting will be held through Video Conferencing/other Audio Video Visuals Means.

Financial Calendar for the year 2020-21 (Provisional):

a.	Results for the first quarter ending 30th June, 2020	By 10th August, 2020
b.	Results for the second quarter ending 30th September, 2020	By 14th November, 2020
c.	Results for the third quarter ending 31st December, 2020	By 14th February, 2021
d.	Results for the year ending 31st March, 2021 (Audited)	By end of May, 2021
e.	Annual General Meeting for the year ending March, 2021	In September, 2021

Date of Book Closure : 7th September, 2020 to 14th September, 2020 (both days inclusive)

Stock Code : 506405

Listing on Stock Exchange : BSE LIMITED

: 25th Floor, P J Towers, Dalal Street, Mumbai 400 001.

: Listing Fees as applicable have been paid.

Demat ISIN : INE505A01010

Corporate Identity Number : L24110MH1919PLC000564

Stock Price Data & Performance in comparison to BSE Indices

The monthly high and low of market prices of the Company's Equity Shares traded during the financial year on the BSE Limited, Mumbai and the BSE monthly high low Indices were as follows

	Shares Price		BSE Indices	
Month	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2019	149.95	133.60	39,487.45	38,460.25
May, 2019	195.40	126.05	40,124.96	36,956.10
June, 2019	174.00	140.45	40,312.07	38,870.96
July, 2019	174.00	128.50	40,032.41	37,128.26
August, 2019	167.00	115.20	37,807.55	36,102.35
September, 2019	141.00	117.00	39,441.12	35,987.80
October, 2019	127.95	105.20	40,392.22	37,415.83
November, 2019	112.00	98.90	41,163.79	40,014.23
December, 2019	115.00	90.10	41,809.96	40,135.37
January, 2020	125.00	106.10	42,273.87	40,476.55
February, 2020	127.00	99.00	41,709.30	38,219.97
March, 2020	109.80	52.05	39,083.17	25,638.90

Nominal Value of each Equity Share is Rs.10/-.

Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.

Tel No : +91 22 49186000 Fax: +91 22 49186060

E-mail id : rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

Share Transfer System

Share Transfers are registered and duly transferred share certificates are dispatched within 30 days of receipt, if the transfer documents are otherwise in order. The total number of shares transferred in the Non-dematerialised segment during the financial year ended 31st March, 2020 were 42457.

In terms of the Notification No. SMDRP/POLICY/CIR/23/2000 dated 29th May, 2000, issued by Securities and Exchange Board of India, the Equity System of your Company are under compulsory demat trading by all investors, with effect from 28th August, 2000.

Shareholding Pattern and Distribution of Shares:
Shareholding Pattern as on 31st March, 2020:

Category	No. of Shares held	% of Shareholding
Promoters	1,32,88,650	53.28
Mutual Funds and UTI	4,909	0.02
Banks, Financial Institutions, Insurance Cos.	3,09,413	1.24
Private Corporate Bodies and Trusts	7,28,650	2.92
HUF	12,55,464	5.03
Indian Public	89,39,545	35.85
NRIs/OCBs	4,06,684	1.63
NBFC's registered with RBI	2,200	0.01
Clearing Members (in the depository)	4,418	0.02
TOTAL	**2,49,39,933**	**100.00**

Note: The total Foreign Shareholding as on 31st March, 2020 was 9721873 shares, which in, percentage terms were 38.98% of the issued and subscribed capital, out of which 9315189 shares aggregating 37.35% of the capital represent Promoters' Holding and hence are included in Promoters' category.

The Indian public shareholding includes Non-Executive Independent Director shareholding as under:

Shri. H. T. Kapadia 11107

Shri. A. W. Ketkar 324

Shri M. T. Ankleshwaria 225

Shri S. V. Joshi 4435

Distribution of Shareholding as on 31st March, 2020

No. of Shares held	No. of Folios	Percentage	Total Shares	Percentage
Up to 500	14,198	87.6528	14,07,542	5.6437
501 to 1000	849	5.2414	6,68,632	2.6810
1001 to 2000	478	2.9510	7,08,575	2.8411
2001 to 3000	216	1.3335	5,51,206	2.2101
3001 to 4000	87	0.5371	3,10,046	1.2432
4001 to 5000	82	0.5062	3,82,409	1.5333
5001 to 10000	121	0.7470	8,77,400	3.5181
10001 and above	167	1.0310	2,00,34,123	80.3295
TOTAL	**16,198**	**100.0000**	**2,49,39,933**	**100.0000**

Dematerialisation of Shares and liquidity

As on 31st March, 2020, out of 2,49,39,933 Equity Shares of the Company, 2,36,91,207 Equity Shares representing 94.99% Equity Shares, have been dematerialized by 8473 shareholders. The total number of shareholders of the Company are 16198 The Company has not issued any GDRs, Warrant or any convertible instruments, the conversion of which will have an impact on equity shares of the Company.

The address of the correspondence:

The Company Secretary
The Dharamsi Morarji Chemical Co. Ltd.
Prospect Chambers, 317/321, Dr. D. N. Road,
Fort, Mumbai 400 001.
Tel: 022 2204 8881/2/3; Fax: 022 2285 2232
E-mail: dgokhale@dmcc.com

Factories:

(1)Roha : 105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhatav, Roha 402116, Dist. Raigad, Maharashtra.

(2)Dahej : Plot No. CH-5/1 G.I.D.C, Dahej Industrial Estate, Taluka: Vagra, Dist. Bharuch, Gujarat.

(3)Khemli: Khemli Village, Tehsil, Mavli, Dist. Udaipur, Rajasthan.

(4)Jhar: Jhar Village, Taluka – Dhari, Dist. Amreli 365630, Gujarat.

Date: 11th May, 2020

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To The Members Of The Dharamsi Morarji Chemical Company Limited

1. The Corporate Governance Report prepared by The Dharamsi Morarji Chemical Company Limited (hereinafter the "Company"), contains details as stipulated at Para C of Schedule V in terms of regulations 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") with respect to Corporate Governance for the year ended 31 March 2020.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i) Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

   ii) Obtained and verified that the composition of the Board of Directors with regards to executive and non-executive directors has been met throughout the reporting period;

   iii) Obtained and read the Directors Register as on 31 March 2020 and verified that at least one women director was on the Board during the year;

   iv) Obtained and read the minutes of the following meetings held from 1 April 2019 to 31 March 2020:

      (a) Board of Directors meeting;

      (b) Audit committee;

      (c) Annual General meeting;

      (d) Nomination and Remuneration committee;

      (e) Independent Directors Committee;

      (f) Stakeholder/ Investor and Grievance committee

      (g) Corporate social responsibility committee

   v) Obtained necessary representations and declarations from directors of the Company including the independent directors ; and

   vi) Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31 March 2020, referred to in paragraph 1 above.

Other matters and Restriction on Use

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

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose.Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN:20100733AAAABF8658
Place: Mumbai
Date: 11 May 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of The Dharamsi Morarji Chemical Company Limited

Report on the Standalone Ind AS Financial Statements

Statements Opinion

We have audited the accompanying standalone Ind AS financial statements of The Dharamsi Morarji Chemical Company Limited ("the Company"), which comprise the Balance sheet as at 31 March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with theStandards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 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 audit opinion on the Standalone Ind AS financial statements.

Emphasis of Matter

We draw your attention to Note 2.2 to the financial results which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Further, our attendance at the physical inventory verification done by the management was impracticable under the current lock-down restrictions imposed by the government and we have therefore, relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended 31 March 2020. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

Sr. No	Key audit matters	How our audit addressed the key audit matter
1	**Litigations and claims** (Refer to note 32 to the standalone Ind AS financial statements) These cases are pending with multiple tax authorities like Income Tax, Excise, Service tax etc. and labour law cases which have not been acknowledge as debt by the company. In normal course of business, financial exposures may arise from pending proceedings not acknowledged as debt by the company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the standalone Ind AS financial statements is depended on a number of significant assumptions and judgements. The amount involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the standalone Ind AS financial statements, is inherently subjective. We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.	Principal Audit Procedures: • Evaluation of management's judgement of tax risks, estimates of tax exposures, each claims and contingencies. Third party opinions, past and current experience with the tax authority and management's response including on the labour law cases were used to assess the appropriateness of management's best estimate of most likely outcome of each uncertain contingent liability. • Discussing selected matters with the entity's management. • Critically assessing the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the standalone Ind AS financial statements. Assessment of the probability of negative result of litigation and the reliability of estimates of related obligation. **Conclusion:** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation & disclosure on the subject matter in the standalone Ind AS financial statements.

2	**Revenue Recognition** (as described in note 2.10 of the standalone Ind AS financial statements) For the year ended March 31, 2020 the Company has recognized revenue from contracts with customers amounting to Rs. 18,556.66Lacs. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that as principal, it typically controls the goods before transferring them to the customer. The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period. Revenue is measured net of net of returns and allowances, cash discounts, trade discounts and volume rebates (collectively 'discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual. Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	Principal Audit Procedures: • Our audit procedures included the following: • Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'. Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples checked that the revenue has been recognized as per the shipping terms. • To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods. • Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents. • Performed monthly analytical procedures of revenue by streams to identify any unusual trends. • Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.

We have determined that there are no other key audit matters to communicate in our report

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2019-20, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 Standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS 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 Ind AS 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2020 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on 31 March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

For Rahul Gautam Divan Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN: 20100733AAAABD1207
Place: Mumbai
Date: 11 May 2020

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: The Dharamsi Morarji Chemical Company Limited ("The Company")

(i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

All fixed assets been physically verified by the management during the year but through a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at 31 March 2020 and no material discrepancies were noticed in respect of such confirmations.

(iii) The Company has not granted any secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a), (b) and (c) of clause (iii) are not applicable to the Company.

(iv) There are no loans given, no investments made, no guarantees given, and no security given by the Company in terms of provisions of section 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

According to the records of the Company, the dues outstanding of income tax, duty of excise, duty of custom, sales tax, ESI and employees' state insurance on account of any dispute, is as follows:

Name of the Statute	Nature of Dues	Amount (Rs.) in Lacs	Period to which	Forum where dispute is pending
Customs Act, 1962	Utilization of DEPB Licences	16.60	2002-03	Collector of Customs
Customs Act, 1962	Differential Duty	1,433.00	2004-05 to 2008-09	CESTAT Mumbai
Customs Act, 1962	Duty	121.60	2005-06 to 2007-08	CESTAT Mumbai
	TOTAL	**1,571.2**		

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government.The Company did not have any outstanding debentures during the year.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by term loans for the purpose for which they were obtained. The Company has not raised any money way of initial public offer / further public offer / debt instruments during the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN:20100733AAAABD1207
Place: Mumbai
Date:11 May 2020

Annexure '2' To Independent Auditors' Report

(Annexure referred to under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of The Dharamsi Morarji Chemical Company Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Rahul Gautam Divan Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN: 20100733AAAABD1207
Place: Mumbai
Date: 11 May 2020

STANDALONE BALANCE SHEET

Rs. In Lakhs

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
Assets			
Non Current Assets			
Property, Plant and Equipment	3	8,663.16	8,373.62
Capital work-in-progress	3	876.86	84.15
Goodwill	3	1,465.10	1,465.10
Other Ingangible Assets	3	19.01	21.49
Other non-current assets	4	179.09	173.76
Other non Current Financial Assets			
Non Currrent Investments	5	55.85	55.85
Total Non Current Assets		**11,259.07**	**10,173.99**
Current Assets			
Inventories	6	2,768.19	2,490.11
Financial Assets			
-Current Investments	7	240.98	230.93
-Trade receivables	8	2,473.77	3,010.84
-Cash and cash equivalents	9	788.41	336.68
-Bank balances other than cash & cash equivalents	10	100.45	108.03
- Others Current financial assets	11	71.97	37.57
- Current Tax Assets (Net)	12	2,070.18	946.25
Other current assets	13	1,381.23	1,452.80
Total Current Assets		**9,895.18**	**8,613.21**
Total Assets		**21,154.25**	**18,787.20**
Equity And Liabilities			
Equity			
Equity Share capital	14	2,493.99	2,493.99
Other Equity	15	11,967.96	9,057.86
Total Equity		**14,461.95**	**11,551.84**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
-Long Term Borrowings	16	1,733.77	1,641.55
- Long Term Provisions	17	250.48	256.06
Other non-current liabilities	18	37.83	55.80
Total Non Current Liabilities		**2,022.08**	**1,953.41**
Current liabilities			
Financial Liabilities			
- Short Term Borrowings	19	46.57	217.44
- Trade payables	20		
- Due to Micro & Small Enterprises		77.00	176.34
- Due to Other than Micro & Small Enterprises		1,591.88	2,279.55
- Other financial liabilities	21	2,533.30	2,323.42
Other current liabilities	22	374.58	221.76
Provisions	23	46.89	63.42
Total Current Liabilities		**4,670.22**	**5,281.93**
Total Liabilities		**6,692.30**	**7,235.34**
Total Equity and liabilities		**21,154.25**	**18,787.20**

Signifiant accounting policies and notes to Financial Statements (Note 2)

The accompaning notes referred to above which form an integral part of the Financial Statements

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

For and on behalf of the Board of Directors

L.N. Goculdas
Chairman
DIN 00459347

H.T. Kapadia
Director
DIN 00125090

B.L. Goculdas
Managing Director
DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2020

Rs. In Lakhs

Particulars	Notes	31st March, 2020		31st March, 2019	
Income					
Revenue from Operations	24		18,764.70		22,747.21
Other Income	25		623.19		92.46
Total Income			**19,387.89**		**22,839.66**
Expenses					
Cost of Raw Materials Consumed	26		9,430.15		11,794.62
Purchase of Stock-in-Trade	27		-		-
Changes in Inventories of Finished Goods and Work in Progress	28		(178.41)		(125.23)
Employee Benefits Expenses	29		1,666.89		1,276.25
Finance costs	30		203.12		277.14
Depreciation and amortization expense	3		615.62		450.53
Other Expenses	31		5,061.55		4,455.99
Total Expense			**16,798.92**		**18,129.30**
Profit before tax			**2,588.97**		**4,710.36**
Tax Expense					
Current Tax under MAT		452.50		1,010.00	
MAT Credit Entitlement		(1,011.14)		(908.78)	
Tax impact due to OCI		(1.69)	(560.33)	3.35	104.57
Profit for the year			**3,149.30**		**4,605.80**
Other Comprehensive Income					
(a) (i) Items that will not be reclassified to profit or loss			46.81		(28.67)
(ii) Income tax relating to items that will not be reclassified to Profit & Loss			0.11		6.18
b) i) Items that will be reclassified to Profit and Loss			9.86		13.13
ii) income Tax relating to Items that will be reclassified to Profit and Loss			(1.80)		(2.83)
Total Other Comprehensive Income			54.98		(12.19)
Total Comprehensive Income for year			**3,204.29**		**4,593.61**
Earnings per equity share (FV Rs. 10/- per share) :					
Basic & Diluted (in Rs)- Refer Note No.31			**12.63**		**18.47**

Signifiant accounting policies and notes to Financial Statements (Note 2)
The accompaning notes referred to above which form an integral part of the Financial Statements

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

For and on behalf of the Board of Directors

L.N. Goculdas
Chairman
DIN 00459347

H.T. Kapadia
Director
DIN 00125090

B.L. Goculdas
Managing Director
DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

STANDALONE CASH FLOW STATEMENT

Rs. In Lakhs

	Particulars	31st March, 2020		31st March, 2019	
A.	Cash Flow From Operating Activities:				
	Net Profit before tax		2588.97		4710.38
	Add:				
1	Depreciation and amortisation	615.62		450.53	
2	Interest charged	203.13		277.14	
3	Unrealised Foreign Exchange Loss / (Gain)	44.48		(5.28)	
4	(Gain)/Loss on sale of PPE / Investments	0.40		0.48	
5	Other OCI imapct (Net)	54.98		(12.19)	
			918.61		710.68
	Less:				
1	Interest Income	10.10		20.98	
2	Dividend Income	2.00		2.67	
3	Increase in Value of Current Investment	10.04		0.00	
			22.14		23.65
	Operating Profit before change in working capital		3485.44		5397.41
	Working capital changes:				
	Add / (Less):				
1	(Increase) / Decrease in inventories	(278.08)		(419.39)	
2	(Increase) / Decrease in trade receivables	492.60		(807.78)	
3	(Increase) / Decrease in Other Financial Assets	(34.40)		100.21	
4	(Increase) / Decrease in Other non current Assets	(5.33)		(12.46)	
5	(Increase) / Decrease in Other Current Assets	71.57		(320.90)	
6	Increase / (Decrease) in trade payables	(787.02)		(770.01)	
7	Increase / (Decrease) in other long term liabilities	(17.97)		(9.79)	
8	Increase / (Decrease) in other financial liabilities	209.88		(10.28)	
9	Increase / (Decrease) in other current liabilities	152.82		(118.67)	
10	Increase / (Decrease) in Current Provisions	(16.53)		14.44	
11	Increase / (Decrease) in Non-Current Provisions	(5.58)		(15.70)	
			(218.04)		(2370.33)
	Cash generated from opertions		3267.40		3027.08
	Add / (Less):				
	Direct taxes paid (Net of refunds)		(563.60)		(947.29)
	Net Cash inflow from Operating Activities (A)		2703.80		2079.79
B.	**Cash Flow From Investing Activities:**				
	Add:				
1	Proceeds from sale of Property, Plant & Equipment	0.00		0.00	
2	Interest received	10.10		20.98	
3	Dividend received	2.00		2.67	
			12.10		23.65
	Less:				
1	Purchase of Property, Plant & Equipment / increase in Capital WIP	(1695.78)		(1385.16)	
2	(Purchase) / Sale of Current Investment	0.00		86.62	
			(1695.78)		(1298.54)
	Net Cash inflow from Investing Activities (B)		(1683.68)		(1274.89)

C.	Cash Flow From Financial Activities:				
	Add:				
1	Receipt from issue of Equity Shares inclusive of share premium	0.00		0.00	
2	Proceeds from borrowings (Non Current)	(170.87)		217.44	
3	Proceeds from borrowings Net of repayment (Current)	0.00		0.00	
4	Increase in Restricted Bank Balances other than cash & cash equivalents	7.58		(11.21)	
			(163.29)		206.23
	Less:				
1	Repayment of borrowings (Non-current)	92.22		(441.45)	
2	Repayment of borrowings net of proceeds (Current)	0.00		0.00	
3	Interest and other finance costs	(203.13)		(277.14)	
4	Payment of Equity Dividend	(294.18)		(300.17)	
			(405.09)		(1018.76)
	Net Cash inflow from Financing Activities (C)		**(568.38)**		**(812.53)**
i	Net (decrease)/increase in cash and cash equivalents		451.74		(7.63)
ii	Add: Cash and cash equivalents at the beginning of the period		336.67		344.30
iii	Cash and cash equivalents at the end of the period		788.41		336.67

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

L.N. Goculdas
Chairman
DIN 00459347

H.T. Kapadia
Director
DIN 00125090

B.L. Goculdas
Managing Director
DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2020

A. Equity Share Capital

Rs. In Lakhs

	No. of Shares	Amount
Balance as at 31st March, 2019	**2,49,39,933**	**2,493.99**
Changes in equity share capital during FY 2019-20	-	-
Balance as at 31st March, 2020	**2,49,39,933**	**2,493.99**

B. Other Equity

Particulars	Reserves and Surplus				
	Securities Premium Reserve	Other Reserves	Retained Earnings	Other items of Other Comprehensive Income	Total (Rs. in Lakhs)
Balance at 31st March, 2019	**1,714.81**	**66.59**	**7,219.52**	**56.94**	**9,057.86**
Profit for the year	-	-	3,149.30		3,149.30
Other Comprehensive Income	-	-	-	54.98	54.98
Total Comprehensive Income (Net of Tax)	1,714.81	66.59	10,368.82	111.92	12,262.14
Equity Dividend Paid (Including Dividend Distribution Tax)	-	-	(294.18)	-	(294.18)
Balance at 31st March, 2020	**1,714.81**	**66.59**	**10,074.64**	**111.92**	**11,967.96**

Signifiant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

L.N. Goculdas
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DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

NOTES

to the Standalone Financial Statements as at 31st March 2020

1 Corporate Information

The Dharamsi Morarji Chemical Company Limited is a Public Limited Company domiciled in India. Its equity shares are listed on the Bombay Stock Exchange Limited (BSE). The registered office of the Company is located at 317/21, Prospect Chambers, Dr. D.N. Road, Fort, Mumbai-400001. The Company is engaged in the business of manufacturing and selling of Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the Company is provided in Note - 42

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 11th May, 2020

2 Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendments)Rules, 2016.

The financial statements have been prepared on a historical cost basis using the accrual method of accounting basis, except for the following assets and liabilities which have been carried at fair value:

Land classified as property, plant and equipment. Derivative financial instruments i.e. Forward Contracts.

Certain financial assets and financial liabilities measured at fair value.

The Financial Statements are presented in Indian Rupees (INR) and all values are recorded to the nearest Lakhs. (INR '00,000) except otherwise indicated.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company's plant operations at Roha (Maharashtra) and Dahej (Gujarat) were temporarily closed following countrywide lock-down due to the COVID-19 pandemic for few days during the last week of March,2020. The Company has since obtained required permissions and restarted its operations in the first week of April,2020.

In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has evaluated the impact on its financial results for the current quarter. In assessing the recoverability of its assets including receivables and inventories, the Company has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.3 Property, plant and equipment

a) Tangible assets:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. 01.04.2016. The Company has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Company, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Company upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Company.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Derecognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Derecognition:

An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.4 Depreciation/Amortization:

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis. Cost of leasehold land is amortised over the period of lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.6 NonCurrent Assets held for Sale

Non current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sale. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in the Statement of Profit and Loss. Once classified as held for sale, Property, plant and Equipment and Intangible Assets are no longer depreciated or amortized.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activities on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: purchase cost on a weighted average basis
Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs

2.9 Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. For the Expected Credit Loss (ECL) simplified approach is adopted by the Company as permissible. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement.

2.10 Revenue recognition

Revenue from sale of goods is recognized at the fair value of the consideration received or receivable, net of returns and trade discounts, rebates, GST.

Revenue from the sale of goods is recognised when (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and returns.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss..

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement. Interest income is recognised on accrual basis.

Insurance claims are accounted for on the basis of claims admitted /expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Company's right to receive is established. The Company earns revenue primarily from sale of products.

The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to contracts that were remaining in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements. The details of accounting policies under erstwhile Ind AS 18 and Ind AS 11 are disclosed separately if they are different from those under Ind AS 115.

The Company has applied Ind AS 116 - Leases using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 17. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2019 or on these financial statements. The details of accounting policies under erstwhile Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

2.11 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Company at the rate prevalent on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at the reporting date.

Differences arising on settlement or year end conversion of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are converted using the exchange rates at the dates of the initial transactions.

2.12 Employee Benefits Contribution Plans:

Contributions to the Company’s Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

Benefits Plans:

The Company has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The ‘Company’s liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Company recognizes these re-measurements in the Other Comprehensive Income (OCI).

2.13 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liablities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.

The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the section 115JAA of Income Tax Act, 1961 over the period of subsequent 15 assessment year. The Company recognises MAT Credit Available as an Asset 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 "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.

2.14 Provisions, Contingent Liabilities and Contingent Assets: Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Company.

2.15 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.16 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition- related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2.17 Current and Non current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period . All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.18 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Financial Instruments

Financial assets and financial 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets Cash and bank balances

Cash and bank balances consist of :

- Cash and Cash equivalents - which includes Cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of Cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

- Other bank balances - which includes balances and deposits with banks that are restricted 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 model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in Subsidaries

Investment in Subsidiaries is carried at cost in the financial statements

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

b)Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, during the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Initial recognition and measurement

The Company’s financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

De-recognition of Financial Liabilities

The Company de-recognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expired.

2.19 Derivative Financial Instruments

The company holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

2.20 Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • In the principal market for the asset or liability, or • In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: • Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities • Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable • Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company's management determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.21 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation every three years performed by an accredited external independent valuer, at every 3 years rest, by applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

2.22 Cash & Cash equivalents and Short Term deposits

Cash and Cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.23 Research and Development Costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognized as an Intangible asset when the Company can demonstrate; (i) Technical feasibility of completing the intangible asset so that the asset will be available for use or sale (ii) It's intention to complete and its ability and intentions to use or sell the asset (iii) How the asset will generate future economic benefits (iv) the availability of resources to complete the asset (v) the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

2.24 Cash dividend to equity Shareholders:

The Company recognises a liability to make cash or distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.25 Dividend on Preference Shares

Dividend including Dividend Distribution Tax thereon Rs.8.44 Lakhs for the year ended 31st March 2020 (Previous year Rs. 8.44 Lakhs) are accounted for under finance charges.

Note 3. Property, Plant and Equipment :

i) Tangible Assets

Rs. In Lakhs

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
Gross carrying amount										
Deemed cost as at 1st April, 2019	**286.28**	**1,855.97**	**2,052.55**	**5,827.27**	**76.77**	**94.59**	**87.11**	**55.09**	**10,335.63**	
Additions	-	-	1.73	802.14	2.73	55.38	13.66	20.71	896.35	
Disposals/ Recalssification	-	-	-	-	-	(10.89)	(5.51)	-	(16.40)	
Exchange differences	-	-	-	-	-	-	-	-	-	
As at 31st March, 2020	**286.28**	**1,855.97**	**2,054.28**	**6,629.41**	**79.50**	**139.08**	**95.26**	**75.80**	**11,215.67**	**-**
Accumulated Depreciation										
As at 1st April, 2019	**-**	**105.79**	**260.71**	**1,458.00**	**20.92**	**43.46**	**31.81**	**41.31**	**1,962.00**	
Depreciation charge for the year	-	20.49	63.54	482.07	7.45	18.15	7.78	6.96	606.44	
Impairment	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	(10.90)	(5.12)	-	(16.02)	
Exchange differences	-	-	-	-	-	-	-	-	-	
As at 31st March, 2020	**-**	**126.28**	**324.25**	**1,940.07**	**28.37**	**50.71**	**34.47**	**48.27**	**2,552.42**	**-**
Net book value										
As at 1st April, 2019	**286.28**	**1,750.18**	**1,791.84**	**4,369.27**	**55.85**	**51.13**	**55.30**	**13.78**	**8,373.63**	**84.15**
As at 31st March, 2020	**286.28**	**1,729.69**	**1,730.03**	**4,689.34**	**51.13**	**88.37**	**60.79**	**27.53**	**8,663.16**	**873.26**

ii) Intangible Assets

Rs. In Lakhs

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Gross carrying amount				
Deemed cost as at 1st April, 2019	**60.26**	**1,465.10**	**1,526.19**	
Additions	6.65	-	6.65	
Disposals	-	-	-	
As at 31st March, 2020	**67.74**	**1,465.10**	**1,532.84**	**-**
Accumulated Depreciation				
As at 1st April, 2019	**39.55**	**-**	**39.55**	**-**
Depreciation charge for the year	9.18	-	9.18	
Impairment	-	-	-	
Disposals	-	-	-	
As at 31st March, 2020	**48.73**	**-**	**48.73**	**-**
Net book value				
As at 1st April, 2019	**21.54**	**1,465.10**	**1,486.64**	**-**
As at 31st March, 2020	**19.01**	**1,465.10**	**1,484.11**	**3.59**

Note 4. Other non Current Assets

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Unsecured,Considered Good		
Security deposits	207.09	201.76
Less: Provision for doubtful security deposit	(28.00)	(28.00)
	179.09	**173.76**

Note 5. Non Current Investments

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Investments in Equity Instruments	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Unquoted equity instruments				
Investment in Wholly Owned Subsidiaries fully paid up (at Cost)				
Fully Paid Equity shares of € 50 each of Borax Morarji (Europe) GmBH, Germany, #	500	16.77	500	16.77
Others				
Fully Paid Equity Shares of Rs. 10/- each in Janakalyan Sahakari Bank Ltd.	3,69,250	36.92	3,69,250	36.92
Fully Paid Equity Shares of Rs. 10/- each in Saraswat Co-operative Bank Ltd.	1,000	0.10	1,000	0.10
Fully Paid Equity Shares of Rs. 25/- each in Shamrao Vitthal Co-operative Bank Ltd.	25	0.01	25	0.01
Fully Paid Equity Shares of Rs. 50/- each in Dombivali Nagari Sahakari Bank Ltd	3,000	1.50	3,000	1.50
Fully Paid Equity Shares of Rs. 10/- each in Indian Potash Ltd.	33,000	0.55	33,000	0.55
Aggregate amount of unquoted Investments		**55.85**		**55.85**

Note 6 Inventories (Basis of Valuation - Refer Note 2.8) (as taken, valued and certified by the Management)

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Raw Materials		992.32		868.96
Raw Material in Transit		-		-
Packing Materials		80.20		96.67
Work-in-Process		142.96		125.77
Finished Goods		894.95		776.24
Traded Goods		-		-
Stores and Spares		657.76		622.47
		2,768.19		**2,490.11**

Note

Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to Rs. 2768.19 Lacs (Previous Year - Rs. 2490.11) are offered as security by way of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facitlity provided by Bank.

Note 7. Current Investments

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
	No. of units	Rs. in Lakhs	No. of units	Rs. in Lakhs
Investment in Mutual Funds **				
BSL Growth Medium Term Regular	1,25,812	29.38	1,25,812	28.67
BSL Growth Short term Term Regular	40,589	31.76	40,589	29.08
ICICI Prudential Flexible Income Growth	8,074	31.28	8,074	28.95
ICICI Prudential Equity Arbitrage Fund -Dividend	1,81,875	24.87	1,81,875	24.77
IDFC Arbitrage Fund Growth	1,20,279	29.68	1,20,279	28.01

IDFC Corpoarte Advantage Bond Fund Regulars Plan Growth	4,63,158	63.83	4,63,158	58.97
UTI - Treasury Advantage Institutional Plan Growth	1,122	27.58	1,122	28.92
Units Trust of India	13,657	2.60	12,930	3.56
		240.98		**230.93**

** Investments in all mutual funds are stated at NAV at the year end and as workout at FVTOCI.

Investments in Debt Mutual Funds have been redeemed considering the market conditions and deployed to Bank Fixed Deposits after the Balance Sheet date. This does not have any material impact on the redeemable market value of investments.

Note 8. Trade Receivables (Current / Unsecured)

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Considered Good	2,473.77		3,010.84	
Considered Doubtful	-		-	
		2,473.77		3,010.84
Less:				
Provision for doubtful debts	-		-	
		2,473.77		**3,010.84**

Receivables of Rs. 2473.77 Lacs (Previous Year Rs. 3010.84) pertaining to Roha Unit in the State of Maharashtra and Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Bank.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supplies as per the order received from its customers. The average Credit period on sale is 30-90 days

Note 9. Cash and Cash Equivalents

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Bank Balances in Current Accounts	785.59	334.08
Cash on hand	2.82	2.59
	788.41	**336.67**

Note 10. Bank balances other than Cash and Cash equivalents

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Unpaid Dividend Account	18.61	14.88
Margin Money Deposit Account	81.84	93.15
	100.45	**108.03**

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

Note 11. Other Current financial assets

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Fixed Deposit with bank more than 12 months	71.97	37.57
	71.97	**37.57**

Note 12. Current Tax Assets (Net)

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Income tax (Net of Provision for Taxation)	150.25	37.47
MAT Credit Entitlement	1,919.93	908.78
	2,070.18	**946.25**

MAT Credit Entitlement of Rs. 1,011.14 Lakhs recognized in the Current Year as the Management is confident of payment of Normal Tax in the foreseeable future.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2020

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Accounting Profit before Income tax	2,588.97	4,710.36
At India's statutory income tax rate of 29.12% for FY 2019-20 & 28.84% for FY 2018-19	753.91	1,358.47
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(1,314.24)	(1,253.90)
Current tax- MAT	(560.33)	104.57
At the effective income tax rate	-21.64%	2.22%

The Company fall under the provisions of MAT u/s 115 JB and the applicable Indian Statutory Tax Rate for the year ended 31st March 2020 and 31st March 2019.

Note 13. Other Current Assets (Unsecured, considered good)

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balances with Excise, Sales Tax, Customs & other Government bodies	485.25	437.36
Pre-paid Expense	120.82	78.82
Others advances	15.48	12.00
Others*	759.68	924.63
	1,381.23	**1,452.80**

*Others include Rs. 500.00 lakhs receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Ltd. The Company is pursuing the matter for obtaining the necessary approval from the Government of Maharashtra , on receipt of which the Conveyance deed will be executed and registered in due course.

*Others include Rs. 156.48 lakhs paid as Pre-deposit Demand of Differential Duty by CESTAT for the Appeal against the Order of Commissioner (Appeals), Mumbai of Customs. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. (Refer Note. 32)

Note 14. Equity Share Capital

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Rs.Lakhs	No. of Shares	Rs.Lakhs
Authorized Share Capaital				
Equity Shares of Rs.10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00
	4,00,00,000	**4,000.00**	**4,00,00,000**	**4,000.00**
Shares issued, subscribed and fully Paid up				
Equity Shares of Rs.10 each	2,49,39,933	2,493.99	2,49,39,933	2,493.99
	2,49,39,933	**2,493.99**	**2,49,39,933**	**2,493.99**

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Rs.Lakhs	No. of Shares	Rs.Lakhs
Equity Shares :				
Equity Shares at the beginning of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99
Add: Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	**2,49,39,933**	**2,493.99**	**2,49,39,933**	**2,493.99**

Terms and Rights attached to Equity Shares

The Company is having only one class of Equity shares having a nominal value of Rs.10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution to the Equity shareholders will be in proportion of the number of shares held by each shareholder.

Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	% held	Numbers	% held
Shri Laxmikumar Narottam Goculdas	88,61,044	35.53%	88,27,231	35.39%

Note 15. Other Equity

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
i Security Premium Reserves	1,714.81	1,714.81
ii. Other Reservs	66.59	66.59
iii. Retained Earnings	10,074.64	7,219.52
iv. Other Comprehensive Income	111.92	56.94
	11,967.86	**9,057.86**

i. Security Premium Reserves

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	1,714.81	1,714.81
Add: Premium on shares issued during the year	-	-
Balance at the end of the year	**1,714.81**	**1,714.81**

Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provision of the Companies Act, 2013.

ii. Other Reserve

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	66.59	66.59
Add: Transfer during the year	-	-
Balance at the end of the year	**66.59**	**66.59**

Other reserve represents Capital subsidy received from various state Governments

iii. Retained Earnings

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	7,219.52	2,913.89
Add: Profit for the year	3,149.30	4,605.80
Less: Equity Dividend Paid (Including DDT)	(294.18)	(300.17)
Balance at the end of the year	**10,074.64**	**7,219.52**

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distributed by the Company as dividend to its equity shareholders is determined as per the provision of the Companies Act, 2013 and the dividend distribution policy of the Company.

iv. Other Comprehensive Income

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	56.94	69.13
OCI for the year	54.98	(12.19)
Balance at the end of the year	**111.92**	**56.94**

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilites measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

Note 16. Long Term Borrowings

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Term Loan				
From Bank				
(a) Secured				
(i) Car Loan from Financial Institutions	16.14		25.42	
(ii) Project Loan from Bank	985.25		243.10	
(iii) Mortgage Loan from Bank	438.48		718.15	
		1,439.87		986.67
From Other Parties (Unsecured)				
(b) Unsecured				
Deferred Liabilities-Interest Free Sales Tax Loan from MEDA **	13.90		29.41	
		13.90		29.41
Loans from related parties				
(i) Loans from a Promoters	-		345.47	
		-		345.47
2,80,000 Redeemable Preference Shares of Rs.100/-each * **		**280.00**		**280.00**
Total Long Term Borrowings		**1,733.77**		**1,641.55**

(a) (i) Car Loan from a bank / Financial Institutions

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges from 9.5% to 10.25%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on 31st March, 2020 of Rs. 27.19 Lakhs (Previous Year: Rs. 40.84 lakhs), amount due in next twelve months is Rs. 11.05 Lacs (Previous Year: Rs. 15.42 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(ii)) . The balance Term Loan of Rs. 16.14 Lakhs (Previous Year: 25.42 Lakhs) is shown above as Car loan from Bank / Non-Banking Financial Institution.

(a) (ii) Project Loan from bank

Sanctioned Term Loan - Rs.580.00 Lakhs. Current Outstanding as on 31st March, 2020 is Rs. 383.24 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 21 EMIs have been paid in time, up to 31st March, 2020 and 36 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Sanctioned Term Loan - Rs.1500.00 Lakhs. Current Outstanding as on 31st March, 2020 is Rs. 1000.00 Lakhs. Repayable in 60 EMI's commencing from 15.07.2020. Rate of interest is 10.25%. 60 EMI's are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and Dahej.

Out of total outstanding term loan as on 31st March, 2020 of Rs.1,383.24 Lakhs (PY: Rs.302.58 Lakhs), amount due in next twelve months is Rs.397.99 Lakhs (PY: Rs.59.48 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(iii)).The balance Term Loan of Rs. 985.25 Lakhs (PY: Rs.243.10 Lakhs) is shown as Project Loan.

(a) (iii) Mortgage Term Loan from Bank:

Sanctioned Term Loan - Rs.1100.00 Lakhs. Current Outstanding as on 31st March, 2020 is Rs. 720.56 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 21 EMIs have been paid in time, up to 31st March, 2020 and 36 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Out of total outstanding mortgage loan as on 31 st March 2020 of Rs.720.56 Lakhs (PY: Rs.915.50 Lakhs), amount due in next twelve months is Rs.282.08 Lakhs (PY: Rs.197.35 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.21 (1)(v)) The balance Term Loan of Rs.438.48 Lakhs (PY: Rs.718.15 Lakhs) is shown as Mortgage Term Loan from Bank as above.

**** Interest free Sales Tax Loan from MEDA**

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment startding from May 2010 and ending May 2023

Out of total outstanding Interest free Sales Tax Loan as on 31st March 2020 of Rs.34.32 Lakhs (PY: Rs.51.15 Lakhs), amount due in next twelve months is Rs. 20.42 Lakhs (PY: Rs. 39.55 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(vi)) The balance Term Loan of Rs.13.90 Lakhs (PY: Rs. 11.60 Lakhs) is shown as Interest free Sales Tax Loan as above.

***** Non- Convertible Preference Shares**

Long Term Borrowing includes 280000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each aggregating to Rs.280.00 which has been classified as Financial Liabilities as per requirements of Ind As 32 "Financial instrument presentation". These Preference Shares were repayable in 16 equal yearly installment of Rs.17.50 lakhs each commencing from 1st April 2012. However, Comapny had approached and requested the Preference share holder for further extention of time for the redemption of the said Preference Shares. Preference share holder has agreed for further extention of time for the redemption of the said Preference shares any time upto 31st March 2022.

The Company has been authorised to issue 20,00,000 Cumulative redeembale Preference shares of Rs.100/- each (payable at par) out of which the Company has issued 2,80,000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each fully paid up.

The Dividend as and when declared by the Company shall be paid to the shareholder on the record date, which Board may fix from time to time. If in any year, the company has not declared any dividend on the said Preference shares, the right to the dividend shall be accumulated and the accumulated dividend will be paid out of the profits, if any, of the subsequent financial years.

Note 17. Long Term Provisions

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for Gratuity	170.14	180.98
Provision for Leave benefit	80.34	75.08
	250.48	**256.06**

Note 18. Other Non-Current Liabilities

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
(i) Security Deposits from distributors and others	26.51	34.51
(ii) Security Deposits received against Royalty	11.32	21.29
	37.83	**55.80**

Note 19. Short Term Borrowings

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
From Banks		
Secured		-
Cash Credit from Bank	46.57	217.44
	46.57	**217.44**

Bank has sanctioned Working Capital facility against hypothecation of all Current Assets, present and future. Inventories and Receivables of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat are offered as security and Mortgage of Office Premises of the Company situated at Mumbai.

Note 20. Trade Payables

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
(i) Outstanding due to Micro and Small Enterprise (Refer Note 20.2)	77.00	176.34
(ii) Trade Payable other than Micro and Small Enterprise	1,082.02	1,922.72
(iii) Bills Payable	509.86	356.84
	1,668.88	**2,455.90**

20.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days

20.2 Information as required to be furnished under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31st, 2020 is given below. The information has been determined to the extent such parties have been identified by the Company on the basis of the information available with the Company and the Auditors have relied on the same.

The disclosure persuant to MSMED Act is as under: -

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
(i) Principal amount due and remaining unpaid	77.00	176.34
(ii) Interest due on above and the unpaid interest	0.20	-
(iii) Interest paid in terms of Section 16 of the MSMED Act		
(iv) Amount of payments made to supplier beyond the appointed day		
(v) Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act		
(vi) Amount of Interest accrued and remaining unpaid	0.20	-
(vii) Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under Section 23 of the MSMED Act		

Note 21. Other Financial Liabilities

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
1 Current maturities of long-term debt				
(i) Current maturities of Long Term Debts (Car Loan)	11.05		15.42	
(ii) Current maturities of Long Term Debts (Project Loan)	397.99		59.48	
(iii) Current maturities of Mortgage Loan	282.09		197.35	
(iv) Current maturities of Interest free Sales Tax Loan from MEDA	20.42		39.55	
	711.55		311.79	
2 Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)	**11.95**		**14.88**	
3 Unpaid Matured Fixed Deposits (Unclaimed)	**0.81**		**1.61**	
		724.31		328.29
4 Dividend payable on preference shares		**4.94**		**4.94**
5 Others Payable				
Trade Deposit	**93.49**		**93.51**	
Advance received from customers	82.82		152.72	
Advance received agains sale of Asset	668.00		668.00	
Others	959.74	1,804.05	1,075.96	1,990.19
		2,533.30		**2,323.42**

* During the year Company has repaid the Current maturities of Working Capital Term Loan and Property Loan.

Note 22. Other Current Liabilities

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Statutory dues payable		114.04		74.55
Due to Employee		260.54		147.21
		374.58		**221.76**

Note 23. Provisions (Current)

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Provision for Employee Benefits				
Provision for Gratuity		40.32		56.49
Provision for Leave benefits		6.57		6.93
		46.89		**63.42**

Note 24. Revenue from Operations

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Revenue from Contracts with Customers				
Sale of Chemical Products		18,554.96		22,515.33
Other Operating Revenues				
- Royalty	63.25		80.97	
- Export Incentives	108.20		105.28	
- Wind Mills	38.29		45.64	
		209.74		**231.88**
		18,764.70		**22,747.21**
Revenue from Contracts with Customers				
1) Disaggregated revenue information				
Set out below is the disaggregation of the Company's revenue from contract with Customers:				
Segment				
Commodity Chemicals	18,484.25		22,441.50	
Traded sales	70.71		73.83	
		18,554.96		22,515.33
Geographical				
India	14,062.76		14,882.37	
Outside India	4,492.20		7,632.96	
		18,554.96		22,515.33
Timing of Revenue Recognition				
Goods transferred at a point in time		18,554.96		22,515.33
2. Contract Balances				
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers				
Trade Receivables		**2,473.77**		**3,010.84**
Contract Liabilities				
Advances from Customers		82.82		152.72
3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price				
Revenue as per contract with customers		19,309.06		23,113.32
Adjustments				
Significant financing component				
Sales return		205.63		113.98
Rebate		-		-
Discount		548.47		484.01
Revenue from contract with customers		**18,554.96**		**22,515.33**

4. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at 31st March, 2020:				
Advances from customers		82.82		152.72

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

Note 25. Other Income

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Interest Income		10.10		20.98
Dividend Income		2.00		2.67
Other non -operating income		105.17		68.81
Sundry Balances Written Back		505.92		-
		623.19		**92.46**

Note 26. Cost of Material Consumed

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Consumption of Raw Materials		9,124.25		11,490.03
Consumption of packing materials		305.90		304.59
		9,430.15		**11,794.62**

Note 27. Purchase of Stock in Trade

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Purchased of Goods Traded		-		-
		-		-

Note 28. Changes in inventories of Finished Goods, Work in process and Trade Goods (as certified by the Management)

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Inventory at the beginning of the year				
Work in Process	96.60		123.56	
Finished Goods	762.97		515.58	
Traded Goods	-		95.20	
		859.57		734.34
Inventory at the end of the year				
Work in Process	**143.03**		**96.60**	
Finished Goods	894.95		762.97	
Traded Goods	-	1,037.98	-	859.57
		(178.41)		**(125.23)**

Note 29. Employee Benefits Expense

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Salaries and Wages (Net after Repairs)(*)		1,341.64		1,101.67
Contribution to Provident Fund		81.60		74.37
Contribution to Other Funds (Gratuity, Superannuation,etc)		112.74		(0.23)
Staff Welfare Expenses		130.91		100.44
		1,666.89		**1,276.25**
(*) Salaries & Wages allocated to Repairs etc.		56.12		38.61

Note 30. Finance Cost

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Finance Cost				
Interest Paid to Banks		126.40		136.18
Interest paid to Others		68.29		130.33
Dividend on Preference Shares (Including Dividend Distribution Tax)		8.44		10.63
Total		**203.12**		**277.14**

Note 31. Other Expenses

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Power, Fuel and Water		1,364.86		1,122.25
Repairs to buildings		17.63		58.41
Repairs to machinery		1,065.09		1,228.16
Insurance		95.10		53.94
Rates and taxes		128.64		53.24
Commission to Non Whole Time Directors		48.32		12.29
Internal handling, Freight and carriage outward		655.66		573.64
Net loss/(gain) on foreign currency transactions		44.47		(5.28)
Auditors' Remuneration				
Audit fees	8.00		8.00	
For other services	4.30		4.00	
Reimbursement of out of pocket expenses	0.37		0.33	
		12.67		12.33
Sundry Balances Written Back		-		15.71
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/ Investments		0.40		0.48
Expenditure on Corporate Social Responsibility initiatives		56.25		-
Miscellaneous expenses *		1,572.27		1,330.81
		5,061.55		**4,455.99**

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

Note 32. Contingent Liabilities

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
A Contingent Liabilities				
(i) Outstanding claims in respect of Excise Duty, etc.		1571.20		1750.51
(ii) Guarantees issued by banks		34.19		35.35
(iii) Claims against Company not acknowledged as debts"		34.77		55.76

"The Company has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to have materially adverse effect.

The Company has received Differential Duty demand of Rs.14.33 Crores (on Import of crude/un-refined Sulphur during the period 2004-2005 to 2008-2009, provisionally assessed then), at concessional rate of Basic Customs Duty in term of Entry at Sr. No. 60 of Notification No. 21/2002- Cus dated 01.03.2002 which granted concessional rate of basic customs duty on the import of "Crude or unrefined Sulphur" falling under Chapter Sub-heading No. 2503 00 of Customs Tariff). The Company has now filed Appeal before CESTAT being Appeal No. C/89904/2018 – DB dated 2nd January 2019 (against the Order dated 07.02.2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of Rs.1.43 Crores (being the 10% of the alleged demand of differential duty of Rs. 14.33 Crores), as a condition precedent for the Appeal before the CESTAT. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. Based on the legal advice the Company is confident to successfully succeed in the appeal.

The company had imported Rock Phosphate (for the manufacture of Fertilizer viz. Single Superphosphate) and the Bill of Entry for the consignments of Rock Phosphate imported during the period 2005-2006 to 2007-2008, were provisionally assessed and goods were allowed to be cleared with "Nil" Special additional Duty (SAD for short) falling under Chapter heading, Sub-heading or tariff item "31 or any other chapter" of the first Schedule of Customs Tariff. Subsequently, the Department raised an alleged demand of Rs.1.21 crores on account of the enhancement of declared value (Invoice value on which duty was assessed provisionally) and denial of 'Nil" (SAD) under Notification- 20/2006-Cus dated 1.3.2006 on the alleged ground that the Company had allegedly failed to submit the relevant documents which could prove that the imported Rock Phosphate was used for the manufacturing of "fertilizer". The Company has now filed Appeal before CESTAT being Appeal No. C/89910/2018 – DB dated 2nd January 2019 (against the Order dated 07.02.2018 of the Commissioner (Appeals),Mumbai.)and deposited an amount of Rs.12.16 Lakhs being the 10% of the alleged demand of Rs. 1.21 Crores. The Appeal is pending at CESTAT , Mumbai and will come up for hearing in course of time. Based on the legal advice the Company is confident to successfully succeed in the appeal."

Notes 33. Commitments

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)		854.27		181.16

Note 34. In view of the "Unabsorbed Depreciation" & "Unabsorbed Business Losses" accruing from the past years, there is no normal tax payable in the year ended 31st March, 2020 and for the year ended 31st March, 2019. In view of book profit in the current year in terms of Section 115JB of the Income Tax Act, 1961, provision has been made for Rs.452.50 Lakhs towards Minimum Alternate Tax(MAT) during the year ended 31.03.2020 (Previous year Rs.1010.00 Lakhs)

Note 35. There is only one reportable segment i.e chemicals business of the Company.

Note 36. Changes in accounting policies and disclosures

New and amended standards

Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Transition to Ind AS 116

The Company has applied Ind AS 116 using the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted and continues to be reported under erstwhile Ind AS 17. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2019 or on these financial statements. The details of accounting policies under erstwhile Ind AS 17 are disclosed separately if they are different from those under Ind AS 116

Note 37. Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a Company meeting the applicability threshold needs to spend at least 2% of its average net profits for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The Company has constituted a Corporate Social Responsibility (CSR) Committee. The Company has specified the projects in education field, promoting preventive healthcare and sanitation. Modalities of utilisation of funds on the specified project and monitoring and reporting mechanism has been defined.

The Company has spent an amount of Rs. 56.24 Lakhs towards several CSR activities.

Note 38. Earning Per Share:

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the Company by weighted average number of Equity shares outstanding during the year.

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Profit attributable to Equity share holder of the Company		3,149.30		4,605.80
Weighted Average Number of Equity Shares		2,49,39,933		2,49,39,933
Earning per Equity Shares (Basic & Diluted)		12.63		18.47

Note 39. 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, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

A Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss and accordingly provision is made for the doubtful debts.

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets.

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 Company's finance and accounts department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are generally USD and EUR. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

Exposure to currency risk - Unhedged

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Currency		Rs. in Lakhs	Currency		Rs. in Lakhs
Trade Receivables	**USD**	**7,54,732**	**568.99**	USD	11,26,924	671.38
	EURO	**1,73,212**	**143.85**	EURO	2,26,120	175.70
			712.84			847.08
Hedged Position	**USD**	**(50,000)**	**(37.70)**			0.00
			675.15			847.08
Trade Payable	**USD**	**(28,720)**	**(21.65)**	USD	(2,14,351)	(148.27)
Net Exposure to Currency Risk			**653.50**			698.81

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below.

Movement of USD and EUR and its effect on financial exposure on P & L . (1% variation +/-). The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
	Profit or Loss		**Profit or Loss**	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	5.47	(5.47)	5.23	(5.23)
EURO 1% Movement	1.44	(1.44)	1.76	(1.76)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees of fixed rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

In order to optimize the company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Fixed rate borrowings		2,457.57		2,101.82
Interest Swap		1,103.80		-
Net Exposure after Swap		1,353.77		2,101.82

Rs. In Lakhs

Particulars	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	10.25%	2,103.80	85.60%	10.25%	1,218.08	57.95%
Loans repayable on demand *	4.13%	353.76	14.39%	7.50%	883.74	42.05%
Net exposure to cash flow interest rate risk		**2,457.56**			**2,101.82**	

*Loans repayable on demand include Car Loan and PCFC loan

(iii) Sensitivity

Profit/loss is not sensitive to higher/lower interest expense from borrowings as the interest rates are fixed.

B Capital management

For the purpose of Company's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's Capital Management is to maximise the share holder value.

The Company manages its capital structure and make adjustment in light of changes in economic conditions and requirements co venants.

Note 40. Other Additional information :

(i) Value Of Raw Materials And Boughtouts, Stores, Spares And Components Consumed

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
	Rs. in Lakhs	%	Rs. in Lakhs	%
Raw Materials and Boughtouts:				
Imported	1957.60	20.76	1933.60	15.93
Indigenous	7472.27	79.24	10203.80	84.07
	9429.87	**100.00**	**12137.40**	**100.00**

Rs. In Lakhs

	31st March, 2020	31st March, 2019
Stores, Spares and Components:		
Indigenous	1321.53	661.48
(ii) Value Of Imports Calculated On Cif Basis :		
Raw Materials & Boughtouts	1481.35	1812.88
(iii) Expenditure In Foreign Currency On Account Of :		
Foreign tours, Subscription, depot & exhibition expenses etc.	245.13	146.36
(Iv) Earnings In Foreign Currency In Respect Of :		
Export of goods calculated on FOB basis	**4471.80**	**7490.68**

Note 41. Segment Reporting :-

a) Primary Business Segment :

The Company is engaged in manufacture of Chemicals. As the Company is engaged only in one business segment

b) Secondary Geographical Segment

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Sales Turnover : -				
i) In India		14,062.76		14,882.37
ii) Outside India		4,492.20		7,632.96
Total		**18,554.95**		**22,515.33**

Note 42. Related Parties Disclosures :

	Names of related parties	Nature of Relationship
(i)	Shri L.N.Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii)	Borax Morarji (Europe) GmbH	Wholly Owned Subsidiary
(iii)	The Natural Gas Co.Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iv)	L.P.Gas Equipment Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(v)	L.P.Gas Transport & Bottling Co. Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vi)	Phoenix Distributors Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vii)	Jasraj Trading Co.	Enterprises under the Control of Promoter and Key Managerial persons
(viii)	Kosan Industries Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(ix)	Bombay Foods Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(x)	Falcon Chemicals LLC, Dubai	Enterprises under the Control of Promoter and Key Managerial persons
(xi)	Ms. Mitika L. Goculdas	Daughter of Promoter and Chairman
(xii)	Shri B.L.Goculdas	Key Management Person - Managing Director and Chief Executive Officer
(xiii)	Shri D.T.Gokhale	Key Management Person - Sr. Executive Vice President & Company Secretary
(xiv)	Shri Chirag Shah	Key Management Person - Chief Finance Officer

Rs. In Lakhs

		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A	**Transaction with Promoters holding more than 20% of the voting power**		
	Sitting Fees for attending Board and Committee meetings -Shri L. N. Goculdas	2.25	2.00
	Interest paid to Promoter- Shri. L.N.Goculdas	15.55	52.40
	Commission paid to Promoter- Shri. L.N.Goculdas	16.18	5.11
	Repayment of Loan to Promoter - Shri L.N.Goculdas	345.47	375.00
	Unsecured Loan taken by the Company and outstanding as at the year end	-	345.47
B	**Sitting Fees for attending Board Meeting to Ms. Mitika L. Goculdas**	**1.50**	**1.25**
	Commission paid to Promoter- Ms. Mitika L. Goculdas	5.39	1.71
C	**Transactions with Related Parties**		
i	**Purchase of Goods/Services Received by the Company**		
	L.P.Gas Equipment Co. Pvt.Ltd.	-	26.92
	L.P.Gas Transport & Bottling Co. Pvt.Ltd	-	0.56
ii	**Sale of Goods/Services Rendered by the Company**		
	Falcon Chemicals LLC, Dubai	82.36	-
	Borax Morarji (Europe) GMBH	53.23	325.63
iii	**Closing balance of Falcon Chemical LLC, Dubai included in Current Assets of the Company**	**30.10**	**0.00**
	Closing balance of Borax Morarji (Europe) GMBH included in Current Assets of the Company	-	26.07

D	Transactions relating to Key Management Personnel		
i	**Remuneration**		
	Shri B.L.Goculdas	141.41	132.99
	Shri D.T.Gokhale	36.54	32.60
	Shri Chirag Shah	34.45	21.87
		212.40	187.46
ii	**Perqisities and Other Benefits**		
	Shri B.L.Goculdas	28.47	16.06
	Shri D.T.Gokhale	0.72	1.63
	Shri Chirag Shah	0.09	0.00
		29.28	17.69
		241.68	**205.15**

Related party relationships are as identified by the Company and relied upon by the Auditors.

Note 43. Employee Benefits :

The Company has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) " Employee Benefits". Defined Benefit Plans / Long Term Compensated Absences: As per Actuarial Valuation as on 31.03.2020, the required data is as follows:

Rs. In Lakhs

		Apr 19 / Mar 20	Apr 19 / Mar 20	Apr 18 / Mar 19	Apr 18 / Mar 19
		Gratuity	Leave Encashment	GRATUITY	LEAVE ENCASHMENT
I	**Continuing Employees :**				
A	Expense recognised in the statement of Profit & Loss Account for period ended 31st March 2020				
1	Current Service Cost	13.59	3.60	13.10	14.92
2	Interest Cost	13.29	1.75	14.51	2.46
3	Past Service Cost (vested benfits)	0.00	0.00	-	-
4	Expected Return on plan assets	0.00	0.00	-	-
5	Actuarial (Gain) / Losses	30.87	15.01	17.35	(46.44)
6	Total Expenses	57.75	20.36	44.96	-29.06
B	**Net Assets/(Liability) recognised in the Balance Sheet as at 31/03/2020**				
1	Present value of Defined Benefit Obligation as at 31st March 2020	236.43	32.48	196.58	27
2	Fair Value of plan assets as at 31st March 2020	12.83	-	12.83	0
3	Funded Status [(Surplus/(Defecit)]	-223.60	-32.48	-183.75	-27.00
4	Net asset / (Liability) as at 31st March 2020	-223.60	-32.48	-183.75	-27.00
C	**Change in Obligation during the period ended 31st March 2020**				
1	Present value of Defined Benefit Obligation at the beginning of the year	196.58	27.00	134.8	46.09
2	Current Service Cost	13.59	3.60	13.1	14.92
3	Interest Cost	13.29	1.75	14.51	2.46
4	Settlement Cost	0.00	0.00	0.00	0.00
5	Past Service Cost - (Vested Benefits)	0.00	0.00	0.00	0.00

6	Employee Contribution /transfer	0.00	0.00	0.00	0.00
7	Actuarial (Gain) / Losses	30.87	15.01	17.35	(46.44)
8	Benefits Payments	-17.90	-14.88	-18.29	0.00
9	Present value of Defined Benefit Obligation at the end of the year	236.43	32.48	196.58	27.00
D	**Change in Assets During the period ended 31st March 2020**				
1	Plan assets at the beginning of the year	1 2.83	-	17.55	0.00
2	Settlements	-	-	0.00	0.00
3	Expected return on plan assets	-	-	0.70	0.00
4	Contributions by employers	-	-	0.00	0.00
5	Actual benefits paid	-	-	-5.42	0.00
6	Actuarial {Gain / (Losses)}	-	-	0.00	0.00
7	Plan assets at the end of the year	1 2.83	-	12.83	0.00
E	**Actuarial Assumptions**				
	Discount Rate	0.08	0.08	0.08	0.08
	Mortality Rate	IALM2008	IALM2008	IALM2008	IALM2008
II	**For Ex-employees**	**36.44**	**0**	**71.49**	**0.00**

Note.44. Figures in respect of the previous year have been regrouped / rearranged wherever necessary.

INDEPENDENT AUDITOR'S REPORT

To the Members of The Dharamsi Morarji Chemical Company Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements ofTHE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED(hereinafter referred to as "the Holding Company")and its subsidiaries(the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31 March 2020, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the 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, as at 31 March 2020, their consolidated profit including other comprehensive income, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw your attention to Note 2.2 to the financial results which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Further, our attendance at the physical inventory verification done by the management was impracticable under the current lock-down restrictions imposed by the government and we have therefore, relied on the related alternative audit procedures to obtain comfort over the existence and condition of inventory at year end.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended 31 March 2020. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS financial statements.

Sr. No	Key audit matters	How our audit addressed the key audit matter
1	**Litigations and claims** (Refer to note 32 to the consolidated Ind AS financial statements) These cases are pending with multiple tax authorities like Income Tax, Excise, Service tax etc. and labour law cases which have not been acknowledge as debt by the company. In normal course of business, financial exposures may arise from pending proceedings not acknowledged as debt by the company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the consolidated Ind AS financial statements is depended on a number of significant assumptions and judgements. The amount involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the consolidated Ind AS financial statements, is inherently subjective. We have Considered Litigation and claims as Key Audit Matter as it requires significant management judgement, including accounting estimation uncertainty.	Principal Audit Procedures: • Evaluation of management's judgement of tax risks, estimates of tax exposures, each claims and contingencies. Third party opinions, past and current experience with the tax authority and management's response including on the labour law cases were used to assess the appropriateness of management's best estimate of most likely outcome of each uncertain contingent liability. • Discussing selected matters with the entity's management. • Critically assessing the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the consolidated Ind AS financial statements. Assessment of the probability of negative result of litigation and the reliability of estimates of related obligation. **Conclusion:** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation & disclosure on the subject matter in the consolidated Ind AS financial statements.

2	**Revenue Recognition** (as described in note 2.10 of the consolidated Ind AS financial statements) For the year ended March 31, 2020 the Company has recognized revenue from contracts with customers amounting to Rs. 18,556.66Lacs. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that as principal, it typically controls the goods before transferring them to the customer. The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period. Revenue is measured net of net of returns and allowances, cash discounts, trade discounts and volume rebates (collectively 'discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual. Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.	Principal Audit Procedures: • Our audit procedures included the following: • Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'. Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples checked that the revenue has been recognized as per the shipping terms. • To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods. • Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents. • Performed monthly analytical procedures of revenue by streams to identify any unusual trends. • Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.

We have determined that there are no other key audit matters to communicate in our report

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2019-20, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS 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 Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act")that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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 entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor to remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 Consolidated Ind AS financial statements for the financial year ended 31 March 2020 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 Matters

We did not audit the financial statements and other financial information, in respect of a subsidiary whose Ind AS financial statements include total assets of INR 33.77 Lakh as at March 31, 2020, and total revenues of INR 1.70 Lakh for the year ended on that date. These Ind AS financial statement and other financial information have not been audited by other auditors and the unaudited financial statements and other financial information have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report as furnished to us by the Management.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act,based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' 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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) 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:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 32 to the consolidated Ind AS financial statements.

ii. The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Companyduring the year ended March 31, 2020.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN:20100733AAAABE8818
Place:Mumbai
Date:11 May 2020

Annexure-1 To The Independent Auditor's Report Of Even Date On The Consolidated Financial Statements Of The Dharamsi Morarji Chemical Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED(hereinafter referred to as the "Holding Company" or "the Company") which is incorporated in India as of that date. The subsidiary company which is part of the Group is incorporated outside India and Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is not applicable to the subsidiary company.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan
Partner
Membership No.: 100733
UDIN:20100733AAAABE8818
Place: Mumbai
Date:11 May 2020

CONSOLIDATED BALANCE SHEET

Rs. In Lakhs

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
Assets			
Non Current Assets			
Property, Plant and Equipment	3	8,663.16	8,373.62
Capital work-in-progress	3	876.86	84.15
Goodwill	3	1,465.10	1,465.10
Other Ingangible Assets	3	24.52	27.43
Other non-current assets	4	179.09	173.76
Other non Current Financial Assets		-	-
Non Currrent Investments	5	39.08	39.08
Total Non Current Assets		**11,247.81**	**10,163.16**
Current Assets			
Inventories	6	2,768.19	2,495.11
Financial Assets			
-Current Investments	7	240.98	230.93
-Trade receivables	8	2,473.96	3,010.84
-Cash and cash equivalents	9	831.49	381.50
-Bank balances other than cash & cash equivalents	10	100.45	108.03
- Others Current financial assets	11	71.97	37.57
- Current Tax Assets (Net)	12	2,070.18	946.25
Other current assets	13	1,382.98	1,454.49
Total Current Assets		**9,940.20**	**8,664.72**
Total Assets		**21,188.02**	**18,827.88**
Equity And Liabilities			
Equity			
Equity Share capital	14	2,493.99	2,493.99
Other Equity	15	11,994.34	9,084.42
Total Equity		**14,488.34**	**11,578.41**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
-Long Term Borrowings	16	1,733.77	1,641.55
- Long Term Provisions	17	250.48	256.06
Other non-current liabilities	18	37.83	55.80
Total Non Current Liabilities		**2,022.08**	**1,953.42**
Current liabilities			
Financial Liabilities			
- Short Term Borrowings	19	46.57	217.44
- Trade payables	20		
- Due to Micro & Small Enterprises		77.00	176.34
- Due to Other than Micro & Small Enterprises		1,597.82	2,290.11
- Other financial liabilities	21	2,534.74	2,326.98
Other current liabilities	22	374.58	221.76
Provisions	23	46.89	63.42
Total Current Liabilities		**4,677.59**	**5,296.05**
Total Liabilities		**6,699.68**	**7,249.47**
Total Equity and liabilities		**21,188.02**	**18,827.88**

Signifiant accounting policies and notes to Financial Statements (Note 2)

The accompaning notes referred to above which form an integral part of the Financial Statements

As per our report of even date **For Rahul Gautam Divan & Associates** **Chartered Accountants** **Firm Registration No.: 120294W**	**For and on behalf of the Board of Directors**		
Partner **Membership No. 100733** **Place:** Mumbai **Date:** 11.05.2020	**L.N. Goculdas** Chairman DIN 00459347	**H.T. Kapadia** Director DIN 00125090	
	B.L. Goculdas Managing Director DIN 00422783	**D T Gokhale** Company Secretary	**C. J. Shah** Chief Finance Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2020

Rs. In Lakhs

Particulars	Notes	31st March, 2020		31st March, 2019	
Income					
Revenue from Operations	24		18,766.40		22,757.99
Other Income	25		623.19		99.79
Total Income			**19,389.58**		**22,857.77**
Expenses					
Cost of Raw Materials Consumed	26		9,430.15		11,794.62
Purchase of Stock-in-Trade	27		-		-
Changes in Inventories of Finished Goods and Work in Progress	28		(178.41)		(125.23)
Employee Benefits Expenses	29		1,666.89		1,276.25
Finance costs	30		203.12		277.14
Depreciation and amortization expense	3		616.41	-	451.31
Other Expenses	31		5,066.21		4,461.21
Total Expense			**16,804.37**		**18,135.30**
Profit before tax			**2,585.21**		**4,722.47**
Tax Expense					
Current Tax under MAT		451.74		1,013.77	
MAT Credit Entitlement		(1,011.14)		(908.78)	
Tax impact due to OCI		(1.69)		3.35	
			(561.09)		**108.34**
Profit for the year			**3,146.30**		**4,614.14**
Other Comprehensive Income					
(a) (i) Items that will not be reclassified to profit or loss			46.81		(28.67)
(ii) Income tax relating to items that will not be reclassified to Profit & Loss			0.11		6.18
(b) (i) Items that will be reclassified to Profit and Loss			9.86		13.13
(ii) income Tax relating to Items that will be reclassified to Profit and Loss			(1.80)		(2.83)
Total Other Comprehensive Income			54.98		(12.19)
Total Comprehensive Income for year			**3,201.29**		**4,601.95**
Earnings per equity share (FV Rs. 10/- per share) :					
Basic & Diluted (in Rs)- Refer Note No.31			**12.62**		**18.50**

Signifiant accounting policies and notes to Financial Statements (Note 2)
The accompaning notes referred to above which form an integral part of the Financial Statements

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

For and on behalf of the Board of Directors

L.N. Goculdas
Chairman
DIN 00459347

H.T. Kapadia
Director
DIN 00125090

B.L. Goculdas
Managing Director
DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

CONSOLIDATED CASH FLOW STATEMENT

Rs. In Lakhs

	Particulars	31st March, 2020		31st March, 2019	
A.	Cash Flow From Operating Activities:				
	Net Profit before tax		2585.21		4722.49
	Add:				
1	Depreciation and amortisation	616.41		451.31	
2	Interest charged	203.13		277.14	
3	Unrealised Foreign Exchange Loss / (Gain)	44.48		(5.28)	
4	(Gain)/Loss on sale of PPE / Investments	0.40		0.48	
5	Other OCI imapct (Net)	54.98		(12.19)	
			919.40		**711.46**
	Less:				
1	Interest Income	10.10		20.98	
2	Dividend Income	2.00		2.67	
3	Increase in Value of Current Investment	10.04		0.00	
			22.14		23.65
	Operating Profit before change in working capital		3482.47		5410.30
	Working capital changes:				
	Add / (Less):				
1	(Increase) / Decrease in inventories	(273.08)		(424.39)	
2	(Increase) / Decrease in trade receivables	492.41		(790.54)	
3	(Increase) / Decrease in Other Financial Assets	(34.40)		100.21	
4	(Increase) / Decrease in Other non current Assets	(5.33)		(12.46)	
5	(Increase) / Decrease in Other Current Assets	71.51		(320.77)	
6	Increase / (Decrease) in trade payables	(791.65)		(788.74)	
7	Increase / (Decrease) in other long term liabilities	(17.97)		(9.79)	
8	Increase / (Decrease) in other financial liabilities	207.76		(7.67)	
9	Increase / (Decrease) in other current liabilities	152.82		(118.68)	
10	Increase / (Decrease) in Current Provisions	(16.53)		14.44	
11	Increase / (Decrease) in Non-Current Provisions	(5.58)		(15.70)	
			(220.04)		(2374.09)
	Cash generated from opertions		3262.43		3036.21
	Add / (Less):				
	Direct taxes paid (Net of refunds)		(562.84)		(951.07)
	Net Cash inflow from Operating Activities (A)		**2699.59**		**2085.14**
B.	**Cash Flow From Investing Activities:**				
	Add:				
1	Proceeds from sale of Property, Plant & Equipment	0.00		0.00	
2	Interest received	10.10		20.98	
3	Dividend received	2.00		2.67	
			12.10		**23.65**
	Less:				
1	Purchase of Property, Plant & Equipment / increase in Capital WIP	(1696.14)		(1379.65)	
2	(Purchase) / Sale of Current Investment	0.00		86.62	
			(1696.14)		(1293.03)
	Net Cash inflow from Investing Activities (B)		**(1684.04)**		**(1269.38)**

C.	Cash Flow From Financial Activities:				
	Add:				
1	Receipt from issue of Equity Shares inclusive of share premium	0.00		0.00	
2	Proceeds from borrowings (Non Current)	(170.87)		217.44	
3	Proceeds from borrowings Net of repayment (Current)	0.00		0.00	
4	Increase in Restricted Bank Balances other than cash & cash equivalents	7.58		(11.21)	
5	Increase/(Decrease) in foreign Currency Translation Reserves	2.82		(0.50)	
			(160.47)		**205.73**
	Less:				
1	Repayment of borrowings (Non-current)	92.22		(441.45)	
2	Repayment of borrowings net of proceeds (Current)	0.00		0.00	
3	Interest and other finance costs	(203.13)		(277.14)	
4	Payment of Equity Dividend	(294.18)		(300.17)	
			(405.09)		(1018.76)
	Net Cash inflow from Financing Activities (C)		**(565.56)**		**(813.03)**
i	Net (decrease)/increase in cash and cash equivalents		449.99		2.73
ii	Add: Cash and cash equivalents at the beginning of the period		381.50		378.77
iii	Cash and cash equivalents at the end of the period		831.49		381.50

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

L.N. Goculdas
Chairman
DIN 00459347

H.T. Kapadia
Director
DIN 00125090

B.L. Goculdas
Managing Director
DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2020

A. Equity Share Capital

Rs. In Lakhs

	No. of Shares	Amount
Balance as at 31st March, 2019	**2,43,51,003**	**2,493.99**
Changes in equity share capital during FY 2019-20	-	-
Balance as at 31st March, 2020	**2,43,51,003**	**2,493.99**

B. Other Equity

Particulars	Reserves and Surplus					
	Securities Premium Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserves	Other items of Other Comprehensive Income	Total (Rs. in Lakhs)
Balance at 31st March, 2019	**1,714.82**	**66.59**	**7,243.82**	**2.25**	**56.94**	**9,084.32**
Profit for the year	-	-	3,146.30	-	-	3,146.30
Translation Reserve of Subsidiary		-	-	2.82	-	2.82
Other Comprehensive Income	-	-	-	-	54.98	54.98
Total Comprehensive Income (Net of Tax)	1,714.82	66.59	10,390.12	5.07	111.92	12,288.53
Equity Dividend Paid (Including Dividend Distribution Tax)	**-**	**-**	**(294.18)**	-	**-**	**(294.18)**
Balance at 31st March, 2020	**1,714.82**	**66.59**	**10,095.94**	**5.07**	**111.92**	**11,994.34**

Signifiant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date
For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

For and on behalf of the Board of Directors

Partner
Membership No. 100733
Place: Mumbai
Date: 11.05.2020

L.N. Goculdas
Chairman
DIN 00459347

H.T. Kapadia
Director
DIN 00125090

B.L. Goculdas
Managing Director
DIN 00422783

D T Gokhale
Company Secretary

C. J. Shah
Chief Finance Officer

NOTES

Significant Accounting Policies And Other Explanatory Notes To The Consolidated Financial Statements For The Year Ended 31st March 2020

1 Corporate Information

The Consolidated financial statement comprises of financial statement of The Dharamsi Morarji Chemical Company Ltd and its subsidiary (collectively, the Group) for the year ended 31st March, 2018. The Dharamsi Morarji Chemical Company Limited(the Company) is a Public Limited Company domiciled in India. Its shares are listed on the Bombay Stock Exchange Limited

Borax Morarji Europe GmbH, Germany is engaged in the business of selling Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the Company is provided in Note - 42

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 11th May, 2020

2 Significant Accounting Policies

2.1 Basis of Preparation:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notifi ed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS. The consolidated financial statements have been prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments.

- Certain financial assets and liabilities measured at fair value(refer accounting policy regarding financial instrument).

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs (INR'00,000), except otherwise indicated.

2.2 Basis of Consolidation:

The consolidated financial statements comprises the financial statement of THE DHARAMSI MORARJI CHEMICAL CO.LTD Limited and its subsidiary as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

1. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

2. Exposure, or rights, to variable returns from its involvement with the investee, and

3. The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

i. The contractual arrangement with the other vote holders of the investee

ii. Rights arising from other contractual arrangements

iii. The Group's voting rights and potential voting rights

iv. The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances if material, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of Borax Morarji GmbH, Germany used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The unaudited financial statements as on 31st March 2020 of the Wholly Owned Subsidairy Company have been compiled by Chartered Accountancy firm based in Germany. The subsidiary Company being Joint Stock Company under German Law, there is no obligation for audit based on the size critria.

The Group's plant operations at Roha (Maharashtra) and Dahej (Gujarat) were temporarily closed following countrywide lock-down due to the COVID-19 pandemic for few days during the last week of March,2020. The Group has since obtained required permissions and restarted its operations in the first week of April,2020.

In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has evaluated the impact on its financial results for the current quarter. In assessing the recoverability of its assets including receivables and inventories, the Group has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

2.3 Consolidation Procedure

Subsidiaries:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intraGroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). IntraGroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions..

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it

1. Derecognises the assets (including goodwill) and liabilities of the subsidiary
2. Derecognises the carrying amount of any non-controlling interests
3. Derecognises the cumulative translation differences recorded in equity
4. Recognises the fair value of the consideration received
5. Recognises the fair value of any investment retained (vi) Recognies any surplus or deficit in profit or loss
6. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

d. Change in ownership interest:

The Group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

2.4 Property, plant and equipment

a) Tangible assets:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. 01.04.2016. The Group has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Group, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Group upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Group.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-inprogress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Derecognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Derecognition:

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.5 Depreciation/Amortization:

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.7 NonCurrent Assets held for Sale

Non current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sale. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in the Statement of Profit and Loss. Once classified as held for sale, Property, plant and Equipment and Intangible Assets are no longer depreciated or amortized.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activities on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: purchase cost on a weighted average basis

Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs

2.10 Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. For the Expected Credit Loss (ECL) simplified approach is adopted by the Group as permissible. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement.

2.11 Revenue recognition

Revenue from sale of goods is recognized at the fair value of the consideration received or receivable, net of returns and trade discounts, rebates, GST.

Revenue from the sale of goods is recognised when (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and returns.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on accrual basis

Insurance claims are accounted for on the basis of claims admitted /expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Group's right to receive is established.

The Group earns revenue primarily from sale of products

The Group has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to contracts that were remaining in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements. The details of accounting policies under erstwhile Ind AS 18 and Ind AS 11 are disclosed separately if they are different from those under Ind AS 115.

The Group has applied Ind AS 116 - Leases using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 17. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2019 or on these financial statements. The details of accounting policies under erstwhile Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

2.12 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Group at the rate prevalent on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at the reporting date.

Differences arising on settlement or year end conversion of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are converted using the exchange rates at the dates of the initial transactions.

2.13 Employee Benefits Contribution Plans:

Contribution Plans:

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

Benefits Plans:

The Group has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The Group's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Group recognizes these re-measurements in the Other Comprehensive Income (OCI).

2.14 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liablities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.

The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the section 115JAA of Income Tax Act, 1961 over the period of subsequent 15 assessment year. The Company recognises MAT Credit Available as an Asset 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 "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.

2.15 Provisions, Contingent Liabilities and Contingent Assets: Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Group.

2.16 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.17 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2.18 Current and Non current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period . All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.19 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Financial Instruments

Financial assets and financial 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets Cash and bank balances

Cash and bank balances

Cash and bank balances consist of :

- Cash and Cash equivalents - which includes Cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of Cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

- Other bank balances - which includes balances and deposits with banks that are restricted 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 model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in Subsidaries

Investment in Subsidiaries is carried at cost in the financial statements

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Group recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset

b) Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, during the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Initial recognition and measurement

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

De-recognition of Financial Liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expired.

2.20 Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

2.21 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • In the principal market for the asset or liability, or • In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: • Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities • Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable • Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group's management determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for nonrecurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

2.22 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation every three years performed by an accredited external independent valuer, at every 3 years rest, by applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

2.23 Cash & Cash equivalents and Short Term deposits

Cash and Cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

2.24 Research and Development Costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognized as an Intangible asset when the Group can demonstrate; (i) Technical feasibility of completing the intangible asset so that the asset will be available for use or sale (ii) It's intention to complete and its ability and intentions to use or sell the asset (iii) How the asset will generate future economic benefits (iv) the availability of resources to complete the asset (v) the ability to measure reliably the expenditure during development.

Following intial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

2.25 Cash dividend to equity Shareholders:

The Group recognises a liability to make cash or distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.26 Dividend on Preference Shares

Dividend including Dividend Distribution Tax thereon Rs.8.44 Lakhs for the year ended 31st March 2020 (Previous year Rs. 8.44 Lakhs) are accounted for under finance charges.

Note 3. Property, Plant and Equipment

i) Tangible Assets

Rs. In Lakhs

Particulars	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
Gross carrying amount										
Deemed cost as at 1st April, 2019	**286.28**	**1,855.97**	**2,052.55**	**5,827.27**	**76.77**	**94.59**	**87.11**	**55.09**	**10,335.63**	
Additions	-	-	1.73	802.14	2.73	55.38	13.66	21.41	897.05	
Disposals/ Recalssification	-	-	-	-	-	(10.89)	(5.51)	-	(16.40)	
Exchange differences	-	-	-	-	-	-	-	-	-	
As at 31st March, 2020	**286.28**	**1,855.97**	**2,054.28**	**6,629.41**	**79.50**	**139.08**	**95.26**	**76.50**	**11,216.28**	**-**
Accumulated Depreciation										
As at 1st April, 2019	**-**	**105.79**	**260.71**	**1,458.00**	**20.92**	**43.46**	**31.81**	**41.31**	**1,962.00**	
Depreciation charge for the year	-	20.49	63.54	482.07	7.45	18.15	7.78	6.96	606.44	
Impairment	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	(10.90)	(5.12)	-	(16.02)	
Exchange differences	-	-	-	-	-	-	-	-	-	
As at 31st March, 2020	**-**	**126.28**	**324.25**	**1,940.07**	**28.37**	**50.71**	**34.47**	**48.27**	**2,552.42**	**-**
Net book value										
As at 1st April, 2019	**286.28**	**1,750.18**	**1,791.84**	**4,369.27**	**55.85**	**51.13**	**55.30**	**13.78**	**8,373.63**	**84.15**
As at 31st March, 2020	**286.28**	**1,729.69**	**1,730.03**	**4,689.34**	**51.13**	**88.37**	**60.79**	**28.23**	**8,663.86**	**873.26**

ii) Intangible Assets

Rs. In Lakhs

Particulars	Software	Goodwill	Total	Intangible Assets under Development
Gross carrying amount				
Deemed cost as at 1st April, 2019	**71.29**	**1,465.10**	**1,536.39**	
Additions	6.65	-	6.65	
Disposals	-	-	-	
Exchange differences	0.41		0.41	
As at 31st March, 2020	**77.65**	**1,465.10**	**1,542.75**	**-**
Accumulated Depreciation				
As at 1st April, 2019	**43.86**	**-**	**43.86**	**-**
Depreciation charge for the year	9.97	-	9.97	
Impairment	-	-	-	
Disposals	-	-	-	
As at 31st March, 2020	**53.83**	**-**	**53.83**	**-**
Net book value				
As at 1st April, 2019	**27.43**	**1,465.10**	**1,492.53**	**-**
As at 31st March, 2020	**24.52**	**1,465.10**	**1,489.62**	**3.59**

Note 4. Other non Current Assets

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Unsecured,Considered Good		
Security deposits	207.09	201.76
Less: Provision for doubtful security deposit	(28.00)	(28.00)
	179.09	**173.76**

Note 5. Non Current Investments

	As at 31st March, 2020		As at 31st March, 2019	
Investments in Equity Instruments	**No of shares**	**Rs. In Lakhs**	**No of shares**	**Rs. In Lakhs**
Unquoted equity instruments				
Others				
Fully Paid Equity Shares of Rs. 10/- each in Janakalyan Sahakari Bank Ltd.	3,69,250	36.92	3,69,250	36.92
Fully Paid Equity Shares of Rs. 10/- each in Saraswat Co-operative Bank Ltd.	1,000	0.10	1,000	0.10
Fully Paid Equity Shares of Rs. 25/- each in Shamrao Vitthal Co-operative Bank Ltd.	25	0.01	25	0.01
Fully Paid Equity Shares of Rs. 50/- each in Dombivali Nagari Sahakari Bank Ltd	3,000	1.50	3,000	1.50
Fully Paid Equity Shares of Rs. 10/- each in Indian Potash Ltd.	33,000	0.55	33,000	0.55
Aggregate amount of unquoted Investments		**39.08**		**39.08**

Note 6 Inventories (Basis of Valuation - Refer Note 2.8) (as taken, valued and certified by the Management)

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Raw Materials		992.32		868.96
Raw Material in Transit		-		-
Packing Materials		80.20		96.67
Work-in-Process		142.96		125.77
Finished Goods		894.95		776.24
Traded Goods		-		5.00
Stores and Spares		657.76		622.47
		2,768.19		**2,495.11**

Note

Inventories of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat amounting to Rs. 2768.19 Lacs (Previous Year-Rs. 2495.11) are offered as security by way of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facitlity provided by Bank..

Note 7. Current Investments

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
	No. of units	**Rs in Lakhs**	**No. of units**	**Rs in Lakhs**
Investment in Mutual Funds **				
BSL Growth Medium Term Regular	1,25,812	29.38	1,25,812	28.67
BSL Growth Short term Term Regular	40,589	31.76	40,589	29.08
ICICI Prudential Flexible Income Growth	8,074	31.28	8,074	28.95
ICICI Prudential Equity Arbitrage Fund -Dividend	1,81,875	24.87	1,81,875	24.77
IDFC Arbitrage Fund Growth	1,20,279	29.68	1,20,279	28.01

IDFC Corpoarte Advantage Bond Fund Regulars Plan Growth	4,63,158	63.83	4,63,158	58.97
UTI - Treasury Advantage Institutional Plan Growth	1,122	27.58	1,122	28.92
Units Trust of India	13,657	2.60	12,930	3.56
		240.98		**230.93**

** Investments in all mutual funds are stated at NAV at the year end and as workout at FVTOCI.

Investments in Debt Mutual Funds have been redeemed considering the market conditions and deployed to Bank Fixed Deposits after the Balance Sheet date. This does not have any material impact on the redeemable market value of investments.

Note 8. Trade Receivables (Current / Unsecured)

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Trade receivables outstanding for a period less than six Months				
Considered Good	2,473.77		3,010.84	
Considered Doubtful	-		-	
		2,473.77		3,010.84
Less:				
Provision for doubtful debts	-		-	
		2,473.77		**3,010.84**

Receivables of Rs. 2473.77 Lacs (Previous Year Rs. 3010.84) pertaining to Roha Unit in the State of Maharashtra and Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Bank.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supplies as per the order received from its customers. The average Credit period on sale is 30-90 days

Note 9. Cash and Cash Equivalents

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Bank Balances in Current Accounts	828.67	378.90
Cash on hand	2.82	2.59
	831.49	**381.50**

Note 10. Bank balances other than Cash and Cash equivalents

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Unpaid Dividend Account	18.61	14.88
Margin Money Deposit Account	81.84	93.15
	100.45	**108.03**

Margin money deposit has been given to various Banks for issuance of Bank Guarantee's.

Note 11. Other Current financial assets

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Fixed Deposit with bank more than 12 months	71.97	37.57
	71.97	**37.57**

Note 12. Current Tax Assets (Net)

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Income tax (Net of Provision for Taxation)	150.25	37.47
MAT Credit Entitlement	1,919.93	908.78
	2,070.18	**946.25**

MAT Credit Entitlement of Rs. 1,011.14 Lakhs recognized in the Current Year as the Management is confident of payment of Normal Tax in the foreseeable future.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2020

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Accounting Profit before Income tax	2,585.21	4,722.47
At India's statutory income tax rate of 29.12% for FY 2019-20 & 28.84% for FY 2018-19	752.81	1,361.96
Adjustments in respect of current income tax w.r.t. MAT tax rate and Normal tax rate	(1,313.90)	(1,253.62)
Current tax- MAT	(561.09)	108.34
At the effective income tax rate	(21.70)	2.29%

The Company fall under the provisions of MAT u/s 115 JB and the applicable Indian Statutory Tax Rate for the year ended 31st March 2020 and 31st March 2019.

Note 13. Other Current Assets (Unsecured, considered good)

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balances with Excise, Sales Tax, Customs & other Government bodies	485.25	437.36
Pre-paid Expense	120.82	78.82
Others advances	15.48	**12.00**
Others*	761.43	**926.32**
	1,382.98	**1,454.49**

*Others include Rs. 500.00 lakhs receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Ltd. The Company is pursuing the matter for obtaining the necessary approval from the Government of Maharashtra , on receipt of which the Conveyance deed will be executed and registered in due course.

*Others include Rs. 156.48 lakhs paid as Pre-deposit Demand of Differential Duty by CESTAT for the Appeal against the Order of Commissioner (Appeals), Mumbai of Customs. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. (Refer Note. 32)

Note 14. Equity Share Capital

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Rs.Lakhs	No. of Shares	Rs.Lakhs
Authorized Share Capaital				
Equity Shares of Rs.10/- each	4,00,00,000	4,000.00	4,00,00,000	4,000.00
	4,00,00,000	**4,000.00**	**4,00,00,000**	**4,000.00**
Shares issued, subscribed and fully Paid up				
Equity Shares of Rs.10 each	2,49,39,933	2,493.99	2,49,39,933	2,493.99
	2,49,39,933	**2,493.99**	**2,49,39,933**	**2,493.99**

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Rs.Lakhs	No. of Shares	Rs.Lakhs
Equity Shares :				
Equity Shares at the beginning of the year	2,49,39,933	2,493.99	2,49,39,933	2,493.99
Add: Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	**2,49,39,933**	**2,493.99**	**2,49,39,933**	**2,493.99**

Terms and Rights attached to Equity Shares

The Company is having only one class of Equity shares having a nominal value of Rs.10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution to the Equity shareholders will be in proportion of the number of shares held by each shareholder.

Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	% held	Numbers	% held
Shri Laxmikumar Narottam Goculdas	88,61,044	35.53%	88,27,231	35.39%

Note 15. Other Equity

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
i Security Premium Reserves	1,714.90	1,714.90
ii. Other Reservs	66.59	66.59
iii.Foreign Currency Translation Reserves	5.07	2.25
iv. Retained Earnings	10,095.95	7,243.83
v. Other Comprehensive Income	111.92	56.94
	11,994.33	9,084.51

i. Security Premium Reserves

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	1,714.90	1,714.90
Add: Premium on shares issued during the year	-	-
Balance at the end of the year	**1,714.90**	**1,714.90**

Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provision of the Companies Act 2013.

ii. Other Reserve

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	66.59	66.59
Add: Premium on shares issued during the year	-	-
Balance at the end of the year	**66.59**	**66.59**

Other reserve represents Capital subsidy received from various state Government

iii. Foreign Currency Translation Reserve

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	2.25	2.75
Add: Addtion during the year	2.82	-0.50
Balance at the end of the year	**5.07**	**2.25**

iv. Retained Earnings

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	7,243.83	2,929.86
Add: Profit for the year	3,146.30	4,614.14
Less: Equity Dividend Paid (Including DDT)	(294.18)	(300.17)
Balance at the end of the year	**10,095.95**	**7,243.83**

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distributed by the Company as dividend to its equity shareholders is determined as per the provision of the Companies Act and the dividend distribution policy of the Company.

v. Other Comprehensive Income

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	56.94	69.13
OCI for the year	54.98	(12.19)
Balance at the end of the year	**111.92**	**56.94**

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilites measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

Note 16. Long Term Borrowings

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Term Loan				
From Bank				
(a) Secured				
(i) Car Loan from Financial Institutions	16.14		25.42	
(ii) Project Loan from Bank	985.25		243.10	
(iii) Mortgage Loan from Bank	438.48		718.15	
		1,439.87		986.67
From Other Parties (Unsecured)				
(b) Unsecured				
Deferred Liabilities-Interest Free Sales Tax Loan from MEDA **	13.90		29.41	
		13.90		29.41
Loans from related parties				
(ii) Loans from a Promoters	-		345.47	
		-		345.47
2,80,000 Redeemable Preference Shares of Rs.100/-each * **		**280.00**		**280.00**
Total Long Term Borrowings		**1,733.77**		**1,641.55**

(a) (i) Car Loan from a bank / Financial Institutions

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges from 9.5% to 10.25%. Secured against hypothecation of Vehicles.

Out of total outstanding Car loan as on 31st March, 2020 of Rs. 27.19 Lakhs (Previous Year: Rs. 40.84 lakhs), amount due in next twelve months is Rs. 11.05 Lacs (Previous Year: Rs. 15.42 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(ii)) . The balance Term Loan of Rs. 16.14 Lakhs (Previous Year: 25.42 Lakhs) is shown above as Car loan from Bank / Non-Banking Financial Institution..

(a) (ii) Project Loan from bank

Sanctioned Term Loan - Rs.580.00 Lakhs. Current Outstanding as on 31st March, 2020 is Rs. 383.24 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 21 EMIs have been paid in time, up to 31st March, 2020 and 36 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Sanctioned Term Loan - Rs.1500.00 Lakhs. Current Outstanding as on 31st March, 2020 is Rs. 1000.00 Lakhs. Repayable in 60 EMI's commencing from 15.07.2020. Rate of interest is 10.25%. 60 EMI are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and Dahej.

Out of total outstanding term loan as on 31st March, 2020 of Rs.1,383.24 Lakhs (PY: Rs.302.58 Lakhs), amount due in next twelve months is Rs.397.99 Lakhs (PY: Rs.59.48 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(iii)).The balance Term Loan of Rs. 985.25 Lakhs (PY: Rs.243.10 Lakhs) is shown as Project Loan.

(a) (iii) Mortgage Term Loan from Bank:

Sanctioned Term Loan - Rs.1100.00 Lakhs. Current Outstanding as on 31st March, 2020 is Rs. 720.56 Lakhs. Repayable in 57 EMI's commencing from 27.07.2018. Rate of interest is 10.25%. 21 EMIs have been paid in time, up to 31st March, 2020 and 36 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha.

Out of total outstanding mortgage loan as on 31 st March 2020 of Rs.720.56 Lakhs (PY: Rs.915.50 Lakhs), amount due in next twelve months is Rs.282.08 Lakhs (PY: Rs.197.35 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.21 (1)(v)) The balance Term Loan of Rs.438.48 Lakhs (PY: Rs.718.15 Lakhs) is shown as Mortgage Term Loan from Bank as above.

**** Interest free Sales Tax Loan from MEDA**

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment starting from May 2010 and ending May 2023.

Out of total outstanding Interest free Sales Tax Loan as on 31st March 2020 of Rs.34.32 Lakhs (PY: Rs.51.15 Lakhs), amount due in next twelve months is Rs. 20.42 Lakhs (PY: Rs. 39.55 Lakhs), which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(vi)) The balance Term Loan of Rs.13.90 Lakhs (PY: Rs. 11.60 Lakhs) is shown as Interest free Sales Tax Loan as above.

***** Non - Convertible Preference Shares**

Long Term Borrowing includes 280000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each aggregating to Rs.280.00 Lakhs which has been classified as Financial Liabilities as per requirements of Ind As 32 "Financial instrument presentation". These Preference Shares were repayable in 16 equal yearly installment of Rs.17.50 lakhs each commencing from 1st April 2012. However, Comapny had approached and requested the Preference share holder for further extention of time for the redemption of the said Preference Shares. Preference share holder has agreed for further extention of time for the redemption of the said Preference shares any time upto 31st March 2022.

The Company has been authorised to issue 20,00,000 Cumulative redeembale Preference shares of Rs.100/- each (payable at par) out of which the Company has issued 2,80,000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each fully paid up.

The Dividend as and when declared by the Company shall be paid to the shareholder on the record date, which Board may fix from time to time. If in any year, the company has not declared any dividend on the said Preference shares, the right to the dividend shall be accumulated and the accumulated dividend will be paid out of the profits, if any, of the subsequent financial years.

Note 17. Long Term Provisions

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for Gratuity	170.14	180.98
Provision for Leave benefit	80.34	75.08
	250.48	**256.06**

Note 18. Other Non-Current Liabilities

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
(i) Security Deposits from distributors and others	26.51	34.51
(ii) Security Deposits received against Royalty	11.32	21.29
	37.83	**55.80**

Note 19. Short Term Borrowings

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
From Banks		
Secured		-
Cash Credit from Bank	46.57	217.44
	46.57	**217.44**

Bank has sanctioned Working Capital facility against hypothecation of all Current Assets, present and future. Inventories and Receivables of Roha Unit in the state of Maharashtra and Dahej Unit in the state of Gujarat are offered as security and Mortgage of Office Premises of the Company situated at Mumbai.

Note 20. Trade Payables

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
(i) Outstanding due to Micro and Small Enterprise (Refer Note 20.2)	77.00	176.34
(ii) Trade Payable other than Micro and Small Enterprise	1,087.96	1,933.28
(iii) Bills Payable	509.86	356.84
	1,674.82	**2,466.45**

20.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days

20.2 Information as required to be furnished under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31st, 2020 is given below. The information has been determined to the extent such parties have been identified by the Company on the basis of the information available with the Company and the Auditors have relied on the same.

The disclosure persuant to MSMED Act is as under: -

Rs. In Lakhs

	As at 31st March, 2020	As at 31st March, 2019
(i) Principal amount due and remaining unpaid	77.00	176.34
(ii) Interest due on above and the unpaid interest	0.20	-
(iii) Interest paid in terms of Section 16 of the MSMED Act		
(iv) Amount of payments made to supplier beyond the appointed day		
(v) Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act		
(vi) Amount of Interest accrued and remaining unpaid	0.20	-
(vii) Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under Section 23 of the MSMED Act		

Note 21. Other Financial Liabilities

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
1 Current maturities of long-term debt				
(i) Current maturities of Long Term Debts (Car Loan)	11.05		15.42	
(ii) Current maturities of Long Term Debts (Project Loan)	397.99		59.48	
(iii) Current maturities of Mortgage Loan	282.09		197.35	
(iv) Current maturities of Interest free Sales Tax Loan from MEDA	20.42		39.55	
	711.55		311.79	
2 Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)	**11.95**		**14.88**	
3 Unpaid Matured Fixed Deposits (Unclaimed)	**0.81**		**1.61**	
		724.31		328.29
4 Dividend payable on preference shares		**4.94**		**4.94**
5 Others Payable				
Trade Deposit	**93.49**		**93.51**	
Advance received from customers	82.82		152.72	
Advance received agains sale of Asset	668.00		668.00	
Others	961.18	1,805.49	1,079.52	1,993.75
		2,534.74		**2,326.98**

* During the year Company has repaid the Current maturities of Working Capital Term Loan and Property Loan.

Note 22. Other Current Liabilities

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Statutory dues payable		114.04		74.55
Due to Employee		260.54		147.21
		374.58		**221.76**

Note 23. Provisions (Current)

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Provision for Employee Benefits				
Provision for Gratuity		40.32		56.49
Provision for Leave benefits		6.57		6.93
		46.89		**63.42**

Note 24. Revenue from Operations

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Revenue from Contracts with Customers				
Sale of Chemical Products		18,556.66		22,526.11
Other Operating Revenues				
- Royalty	63.25		80.97	
- Export Incentives	108.20		105.28	
- Wind Mills	38.29		45.64	
		209.74		**231.88**
		18,766.40		**22,757.99**
Revenue from Contracts with Customers				
1) Disaggregated revenue information				
Set out below is the disaggregation of the Company's revenue from contract with Customers:				
Segment				
Chemicals	18,485.95		22,452.28	
Traded sales	70.71		73.83	
		18,556.66		22,526.11
Geographical				
India	14,062.76		15,529.75	
Outside India	4,493.90		7,643.74	
		18,556.66		23,173.49
Timing of Revenue Recognition				
Goods transferred at a point in time		18,565.74		23,173.49
2. Contract Balances				
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers				
Trade Receivables		**2,473.77**		**3,010.84**
Contract Liabilities				
Advances from Customers		82.82		152.72
3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price				
Revenue as per contracted price		19,310.76		23,124.10

Adjustments		-		-
Significant financing component		-		-
Sales return		205.63		113.98
Rebate		-		-
Discount		548.47		484.01
Revenue from contract with customers		**18,556.66**		**22,526.11**
4. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfi ed) as at 31st March, 2020:				
Advances from customers		82.82		152.72

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

Note 25. Other Income

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Interest Income		10.10		20.98
Dividend Income		2.00		2.67
Other non -operating income		105.17		76.14
Sundry Balances Written Back		505.92		-
		623.19		**99.79**

Note 26. Cost of Material Consumed

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Consumption of Raw Materials		9,124.25		11,490.03
Consumption of packing materials		305.90		304.59
		9,430.15		**11,794.62**

Note 27. Purchase of Stock in Trade

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Purchased of Goods Traded		-		-
		-		-

Note 28. Changes in inventories of Finished Goods, Work in process and Trade Goods (as certified by the Management)

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Inventory at the beginning of the year				
Work in Process	96.60		123.56	
Finished Goods	762.97		515.58	
Traded Goods	-		95.20	
		859.57		734.34
Inventory at the end of the year				
Work in Process	**143.03**		**96.60**	
Finished Goods	894.95		762.97	
Traded Goods	-	1,037.98	-	859.57
		(178.41)		**(125.23)**

Note 29. Employee Benefits Expense

Rs. In Lakhs

		For the Year ended 31st March, 2020		For the Year ended 31st March, 2019
Salaries and Wages (Net after Repairs)(*)		1,341.64		1,101.67
Contribution to Provident Fund		81.60		74.37
Contribution to Other Funds (Gratuity, Superannuation,etc)		112.74		(0.23)
Staff Welfare Expenses		130.91		100.44
		1,666.89		**1,276.25**
(*) Salaries & Wages allocated to Repairs etc.		56.12		38.61

Note 30. Finance Cost

Rs. In Lakhs

		For the Year ended 31st March, 2020		For the Year ended 31st March, 2019
Finance Cost				
Interest Paid to Banks		126.40		136.18
Interest paid to Others		68.29		130.33
Dividend on Preference Shares (Including Dividend Distribution Tax)		8.44		10.63
Total		**203.12**		**277.14**

Note 31. Other Expenses

Rs. In Lakhs

		For the Year ended 31st March, 2020		For the Year ended 31st March, 2019
Power, Fuel and Water		1,364.86		1,122.25
Repairs to buildings		17.63		58.41
Repairs to machinery		1,065.09		1,228.16
Insurance		95.10		53.94
Rates and taxes		128.64		53.24
Commission to Non Whole Time Directors		48.52		12.29
Internal handling, Freight and carriage outward		655.66		573.64
Net loss/(gain) on foreign currency transactions		44.47		(5.28)
Auditors' Remuneration				
Audit fees	8.00		16.00	
For other services	4.30		8.30	
Reimbursement of out of pocket expenses	0.37		0.70	
		12.67		12.33
Sundry Balances Written Back				15.71
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets/ Investments		0.40		0.48
Expenditure on Corporate Social Responsibility initiatives		56.25		-
Miscellaneous expenses *		1,576.93		1,336.03
		5,066.21		**4,461.21**

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

Note 32. Contingent Liabilities

Rs. In Lakhs

		As at 31st March, 2020		As at 31st March, 2019
A Contingent Liabilities				
(i) Outstanding claims in respect of Excise Duty, etc.		1571.20		1750.51
(ii) Guarantees issued by banks		34.19		35.35
(iii) Claims against Group not acknowledged as debts"		34.77		55.76

The Group has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable.The Group does not expect the outcome of these proceedings to materially adverse effect

The Group has received Differential Duty demand of Rs.14.33 Crores (on Import of crude/un-refined Sulphur during the period 2004-2005 to 2008-2009, provisionally assessed then), at concessional rate of Basic Customs Duty in term of Entry at Sr. No. 60 of Notification No. 21/2002- Cus dated 01.03.2002 which granted concessional rate of basic customs duty on the import of “Crude or unrefined Sulphur” falling under Chapter Sub-heading No. 2503 00 of Customs Tariff). The Group has now filed Appeal before CESTAT being Appeal No. C/89904/2018 – DB dated 2nd January 2019 (against the Order dated 07.02.2018 of the Commissioner (Appeals), Mumbai) and deposited an amount of Rs.1.43 Crores (being the 10% of the alleged demand of differential duty of Rs. 14.33 Crores), as a condition precedent for the Appeal before the CESTAT. The Appeal is pending at CESTAT, Mumbai, and will come up for hearing in course of time. Based on the legal advice the Group is confident to successfully succeed in the appeal.

The Group had imported Rock Phosphate (for the manufacture of Fertilizer viz. Single Superphosphate) and the Bill of Entry for the consignments of Rock Phosphate imported during the period 2005-2006 to 2007-2008, were provisionally assessed and goods were allowed to be cleared with “Nil” Special additional Duty (SAD for short) falling under Chapter heading, Sub-heading or tariff item “31 or any other chapter” of the first Schedule of Customs Tariff. Subsequently, the Department raised an alleged demand of Rs.1.21 crores on account of the enhancement of declared value (Invoice value on which duty was assessed provisionally) and denial of ‘Nil” (SAD) under Notification- 20/2006-Cus dated 1.3.2006 on the alleged ground that the Group had allegedly failed to submit the relevant documents which could prove that the imported Rock Phosphate was used for the manufacturing of “fertilizer”. The Group has now filed Appeal before CESTAT being Appeal No. C/89910/2018 – DB dated 2nd January 2019 (against the Order dated 07.02.2018 of the Commissioner (Appeals),Mumbai.)and deposited an amount of Rs.12.16 Lakhs being the 10% of the alleged demand of Rs. 1.21 Crores. The Appeal is pending at CESTAT , Mumbai and will come up for hearing in course of time. Based on the legal advice the Group is confident to successfully succeed in the appeal

Notes 33. Commitments

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)		854.27		181.16

Note 34. In view of the "Unabsorbed Depreciation" & "Unabsorbed Business Losses" accruing from the past years, there is no normal tax payable in the year ended 31st March, 2020 and for the year ended 31st March, 2019. In view of book profit in the current year in terms of Section 115JB of the Income Tax Act, 1961, provision has been made for Rs.451.74 Lakhs towards Minimum Alternate Tax(MAT) during the year ended 31.03.2020 (Previous year Rs. 1013.77 Lakhs)

Note 35. There is only one reportable segment i.e chemicals business of the Group.

Note 36. Changes in accounting policies and disclosures

New and amended standards

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of ‘low-value’ assets (e.g.,personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-ofuse asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today’s accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Transition to Ind AS 116

The Group has applied Ind AS 116 using the ‘Modified Retrospective Approach’ for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted and continues to be reported under erstwhile Ind AS 17

The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2019 or on these financial statements. The details of accounting policies under erstwhile Ind AS 17 are disclosed separately if they are different from those under Ind AS 116

Note 37. Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a Group meeting the applicability threshold needs to spend at least 2% of its average net profits for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The Group has constituted a Corporate Social Responsibility (CSR) Committee. The Group has specified the projects in education field, promoting preventive healthcare and sanitation. Modalities of utilisation of funds on the specified project and monitoring and reporting mechanism has been defined.

The Group has spent an amount of Rs. 56.25 Lakhs towards several CSR activities.

Note 38. Earning Per Share:

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the parents by weighted average number of Equity shares outstanding during the year.

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Profit attributable to Equity share holder of the Company		3,149.30		4,614.14
Weighted Average Number of Equity Shares		2,49,39,933		2,49,39,933
Earning per Equity Shares (Basic & Diluted)		12.62		18.50

Note 39. 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, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

A Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss and accordingly provision is made for the doubtful debts.

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets.

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 Group's finance and accounts department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Group. The currencies in which the Group is exposed to risk are generally USD and EUR. The Group follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

Exposure to currency risk - Unhedged

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Currency		Rs. in Lakhs	Currency		Rs. in Lakhs
Trade Receivables	**USD**	**7,54,732**	**568.99**	USD	11,26,924	671.38
	EURO	**1,73,212**	**143.85**	EURO	2,26,120	175.70
			712.84			847.08
Hedged Position	**USD**	**(50,000)**	**(37.70)**			0.00
			675.15			847.08
Trade Payable	**USD**	**(28,720)**	**(21.65)**	USD	(2,14,351)	(148.27)
Net Exposure to Currency Risk			**653.50**			698.81

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
	Profit or Loss		**Profit or Loss**	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	5.47	(5.47)	5.23	(5.23)
EURO 1% Movement	1.44	(1.44)	1.76	(1.76)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees of fixed rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

Rs. In Lakhs

	As at 31st March, 2020		As at 31st March, 2019	
Fixed rate borrowings		2,457.57		2,101.82
Interest Swap		1,103.80		-
Net Exposure after Swap		1,353.77		2,101.82

Particulars	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Term Loans	10.25%	2,103.80	85.60%	10.25%	1,218.08	57.95%
Loans repayable on demand *	4.13%	353.76	14.39%	7.50%	883.74	42.05%
Net exposure to cash flow interest rate risk		**2,457.56**			**2,101.82**	

*Loans repayable on demand include Car Loan and PCFC loan

(iii) Sensitivity

Profit/loss is not sensitive to higher/lower interest expense from borrowings as the interest rates are fixed.

B Capital management

For the purpose of Group's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's Capital Management is to maximise the share holder value.

The Group manages its capital structure and make adjustment in light of changes in economic conditions and requirements co venants.

Note 40. Other Additional information :

(i) Value Of Raw Materials And Boughtouts, Stores, Spares And Components Consumed

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
	Rs. in Lakhs	%	Rs. in Lakhs	%
Raw Materials and Boughtouts:				
Imported	1957.60	20.76	1933.60	15.93
Indigenous	7472.27	79.24	10203.80	84.07
	9429.87	100.00	12137.40	100.00

Rs. In Lakhs

	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Stores, Spares and Components:		
Indigenous	1321.53	661.48
(ii) Value Of Imports Calculated On Cif Basis :		
Raw Materials & Boughtouts	1481.35	1812.88
(iii) Expenditure In Foreign Currency On Account Of :		
Foreign tours, Subscription, depot & exhibition expenses etc.	245.13	146.36
(Iv) Earnings In Foreign Currency In Respect Of :		
Export of goods calculated on FOB basis	4471.80	7490.68

Note 41. Segment Reporting :-

a) Primary Business Segment :

The Company is engaged in manufacture of Chemicals. As the Company is engaged only in one business segment

b) Secondary Geographical Segment

Rs. In Lakhs

	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
Sales Turnover : -				
i) In India		14,062.76		14,882.37
ii) Outside India		4,493.90		7,643.74
Total		**1 8,556.65**		**22,526.11**

Note 42. Related Parties Disclosures :

	Names of related parties	Nature of Relationship
(i)	Shri L.N.Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii)	The Natural Gas Co.Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iii)	L.P.Gas Equipment Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iv)	L.P.Gas Transport & Bottling Co. Pvt.Ltd..	Enterprises under the Control of Promoter and Key Managerial persons
(v)	Phoenix Distributors Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vi)	Jasraj Trading Co.	Enterprises under the Control of Promoter and Key Managerial persons
(vii)	Kosan Industries Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(viii)	Bombay Foods Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(ix)	Falcon Chemicals LLC, Dubai	Enterprises under the Control of Promoter and Key Managerial persons
(x)	Ms. Mitika L. Goculdas	Daughter of Promoter and Chairman
(xi)	Shri B.L.Goculdas	Key Management Person - Managing Director and Chief Executive Officer
(xii)	Shri D.T.Gokhale	Key Management Person - Sr. Executive Vice President & Company Secretary
(xiii)	Shri Chirag Shah	Key Management Person - Chief Finance Officer

Rs. In Lakhs

		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A	**Transaction with Promoters holding more than 20% of the voting power**		
	Sitting Fees for attending Board and Committee meetings -Shri L. N. Goculdas	2.25	2.00
	Commission paid to Shri L.N. Goculdas	15.55	5.11
	Interest paid to Promoter-Shri. L.N.Goculdas	16.18	52.40
	Repayment of Loan to Promoter - Shri L.N.Goculdas	345.47	375.00
	Unsecured Loan taken by the Company and outstanding as at the year end	-	345.47
B	**Sitting Fees for attending Board Meeting to Ms. Mitika L. Goculdas**	**1.50**	**1.25**
	Commission paid to Promoter-Ms. Mitika L. Goculdas	5.39	1.71
C	**Transactions with Related Parties**		
i	**Purchase of Goods/Services Received by the Company**		
	L.P.Gas Equipment Co. Pvt.Ltd.	-	26.92
	L.P.Gas Transport & Bottling Co. Pvt.Ltd	-	0.56
ii	**Sale of Goods/Services Rendered by the Company**		
	Falcon Chemicals LLC, Dubai	82.36	-
	Borax Morarji (Europe) GMBH	53.23	325.63
iii	**Closing balance of Falcon Chemical LLC, Dubai included in Current Assets of the Company**	**30.10**	**-**
	Closing balance of Borax Morarji (Europe) GMBH included in Current Assets of the Company	-	26.07

D	Transactions relating to Key Management Personnel		
i	**Remuneration**		
	Shri B.L.Goculdas	141.41	132.99
	Shri D.T.Gokhale	36.54	32.60
	Shri Chirag Shah	34.45	21.87
		212.40	**183.27**
ii	**Perquisites and Other Benefits**		
	Shri B.L.Goculdas	28.47	16.06
	Shri D.T.Gokhale	0.72	1.63
	Shri Chirag Shah	0.09	0.00
		29.28	21.88
		241.68	**205.15**

Related party relationships are as identified by the Company and relied upon by the Auditors.

Note 43. Employee Benefits :

The Company has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) " Employee Benefits". Defined Benefit Plans / Long Term Compensated Absences: As per Actuarial Valuation as on 31.03.2020, the required data is as follows:

Rs. In Lakhs

		Apr 19 / Mar 20	Apr 19 / Mar 20	Apr 18 / Mar 19	Apr 18 / Mar 19
		Gratuity	Leave Encashment	GRATUITY	LEAVE ENCASHMENT
I	**Continuing Employees :**				
A	Expense recognised in the statement of Profit & Loss Account for period ended 31st March 2020				
1	Current Service Cost	13.59	3.60	13.10	14.92
2	Interest Cost	13.29	1.75	14.51	2.46
3	Past Service Cost (vested benefits)	0.00	0.00	-	-
4	Expected Return on plan assets	0.00	0.00	-	-
5	Actuarial (Gain) / Losses	30.87	15.01	17.35	(46.44)
6	Total Expenses	57.75	20.36	44.96	-29.06
B	**Net Assets/(Liability) recognised in the Balance Sheet as at 31/03/2020**				
1	Present value of Defined Benefit Obligation as at 31st March 2020	236.43	32.48	196.58	27
2	Fair Value of plan assets as at 31st March 2020	12.83	-	12.83	0
3	Funded Status [(Surplus/(Defecit)]	-223.60	-32.48	-183.75	-27.00
4	Net Asset / (Liability) as at 31st March 2020	-223.60	-32.48	-183.75	-27.00
C	**Change in Obligation during the period ended 31st March 2020**				
1	Present value of Defined Benefit Obligation at the beginning of the year	196.58	27.00	134.8	46.09
2	Current Service Cost	13.59	3.60	13.1	14.92
3	Interest Cost	13.29	1.75	14.51	2.46
4	Settlement Cost	0.00	0.00	0.00	0.00
5	Past Service Cost - (Vested Benefits)	0.00	0.00	0.00	0.00

6	Employee Contribution /transfer	0.00	0.00	35.11	9.97
7	Actuarial (Gain) / Losses	30.87	15.01	17.35	(46.44)
8	Benefits Payments	-17.90	-14.88	-18.29	0.00
9	Present value of Defined Benefit Obligation at the end of the year	236.43	32.48	196.58	27.00
D	**Change in Assets During the period ended 31st March 2020**				
1	Plan assets at the beginning of the year	1 2.83	-	17.55	0.00
2	Settlements	-	-	0.00	0.00
3	Expected return on plan assets	-	-	0.70	0.00
4	Contributions by employers	-	-	0.00	0.00
5	Actual benefits paid	-	-	-5.42	0.00
6	Actuarial {Gain / (Losses)}	-	-	0.00	0.00
7	Plan assets at the end of the year	1 2.83	-	12.83	0.00
E	**Actuarial Assumptions**				
	Discount Rate	0.08	0.08	0.08	0.08
	Mortality Rate	IALM2008	IALM2008	IALM2008	IALM2008
II	**For Ex-employees**	**36.44**	**0**	**71.49**	**0.00**

Note.44. Figures in respect of the previous year have been regrouped / rearranged wherever necessary.

Note 45. Group Information

The Consolidated financial statement of the group includes subsidiary is mentioned below:

S No.	Name of the Entity	Country of incorporation	Nature	Ownership interest held by the group	Year Ended	Net Assets, i.e. Total assets minus total liabilites		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
						As % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As % of Consolidated Profit or Loss	Amount (Rs. in Lakhs)	As % of Consolidated Other Comprehencive Income	Amount (Rs. in Lakhs)	As % of Consolidated total Comprehencive Income	Amount (Rs. in Lakhs)
i	**The Dharamsi Morarji Chemical Company Ltd**	**India**	**Parent Company**		**31st March 2020**	**99.82%**	**14,461.95**	**100.10%**	**3,149.30**	**100.00%**	**54.98**	**100.09%**	**3,204.29**
					31st March 2019	99.77%	11,551.85	99.82%	4,605.81	100.00%	(12.19)	99.82%	4,593.61
ii	**Foreign Subsidaries having No minority interest**												
	Borax Morarji Europe GmBH	Germany	Wholly Owned Subidiary	100%	31st March 2020	0.18%	26.39	-0.10%	(3.00)	-	-	-0.09%	(3.00)
					31st March 2019	0.23%	26.57	0.18%	8.34	-	-	0.18%	8.34
					Total								
					31st March 2020	100%	14,488.34	100%	3,146.30	100%	54.98	100%	3,201.29
					Total								
					31st March 2019	100%	11,578.42	100%	4,614.15	100%	(12.19)	100%	4,601.95

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THE DHARAMSI MORARJI CHEMICAL CO. LTD.

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