

# DE NORA INDIA LIMITED



ANNUAL REPORT 2022-23



<b>BOARD OF DIRECTORS</b>		<b>CONTENTS</b>	<b>Page No.</b>
SUPRIYA BANERJI (DIN: 05209284)	<i>Chairperson (w.e.f.: 05.07.2023) and Independent Director</i>	Notice of AGM	2-15
SATISH DHUME (DIN: 00336564)	<i>Chairman and Independent Director (Upto 22.05.2023)</i>	Director's Report	16-24
VINAY CHOPRA (DIN: 06543610)	<i>Managing Director</i>	<b>Annexures to the Director's Report</b>	
PURUSHOTTAM S. MANTRI (DIN: 06785989)	<i>Independent Director</i>	• Annexure I – Management Discussion & Analysis Report	25-27
ROBERT SCANNELL (DIN: 06818489)	<i>Non Executive Director</i>	• Annexure II – AOC 2	28
FRANCESCO L'ABBATE (DIN: 08063332)	<i>Non Executive Director</i>	• Annexure III – Information regarding employees and related disclosures	29
LALITA CORREIA AFONSO (DIN: 07986827)	<i>Independent Director (Additional Director) (w.e.f.: 05.07.2023)</i>	• Annexure IV – Annual report on Corporate Social Responsibility (CSR) Activities	30-31
		• Annexure V – Secretarial Audit Report	32-33
		• Annexure VI – Corporate Governance (CG) Report & Certificate on compliance of CG	34-48
<b>CHIEF FINANCIAL OFFICER</b> DEEPAK NAGVEKAR		Independent Auditor's Report	49-57
<b>COMPANY SECRETARY</b> SHRIKANT PAI		Balance Sheet	58
<b>REGISTERED OFFICE &amp; WORKS</b> Plot Nos. 184,185 & 189 Kundaim Industrial Estate Kundaim, Goa - 403 115 Tel.: 91-832-6731100 Email: <a href="mailto:info.dni@denora.com">info.dni@denora.com</a> Website: <a href="http://india.denora.com">india.denora.com</a>		Statement of Profit & Loss Account	59
<b>BANKERS</b> BANK OF BARODA HDFC BANK		Statement of Changes in Equity	60
<b>STATUTORY AUDITORS</b> M/s. MSKA & Associates ICAI Firm Registration No. 105047W Floor 2, Enterprise Centre, Nehru Road, Near Domestic Airport, Vile Parle (E), Mumbai – 400 099		Statement of Cash Flow	61-62
		Notes to the Financial Statements	63-106
		Attendance Slip & Proxy	107
		<b>REGISTRAR &amp; TRANSFER AGENT</b> M/s. Bigshare Services Private Limited Unit: De Nora India Limited Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai 400093 Ph. No.: 022 62638200/62638204 Fax No.: 022 62638299 Email: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>	



**DE NORA INDIA LIMITED**

CIN: L31200GA1993PLC001335

Registered Office: Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115

Tel. No.: 0832 6731100; Email: [info.dni@denora.com](mailto:info.dni@denora.com); Website: [india.denora.com](http://india.denora.com)

**NOTICE** is hereby given that the 34<sup>th</sup> (Thirty Fourth) ANNUAL GENERAL MEETING ('AGM') of the Members of DE NORA INDIA LIMITED ('the Company') will be held on Tuesday, 12<sup>th</sup> September 2023 at 11.00 A.M. (IST) at the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115, to transact the following business:

**ORDINARY BUSINESS**

**1. Adoption of Audited Financial Statements for the Financial Year 2022-23**

To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2023, together with the report of the Board of Directors ('the Board') and the Auditor's thereon.

**2. Declaration of Dividend on equity shares**

To declare dividend of ₹ 2 (Rupees Two only) per equity share for the Financial Year ended March 31, 2023.

**3. Appointment of Mr. Francesco L'Abbate (DIN: 08063332) as a Director liable to retire by rotation**

To appoint a Director in place of Mr. Francesco L'Abbate (DIN: 08063332), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

**4. Appointment of the Statutory Auditors of the Company**

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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s. MSKA and Associates, Chartered Accountants, the retiring auditors) for a term of 5 (five) years, commencing from the conclusion of this 34<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 39<sup>th</sup> Annual General Meeting to be held during the year 2028 and that the Board of Directors be and are hereby authorised to fix the remuneration from time to time as may be recommended by the Audit Committee in consultation with the Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this resolution."

**SPECIAL BUSINESS**

**5. Appointment of Ms. Lalita Correia Afonso (DIN: 07986827) as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force), and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. Lalita Correia Afonso (DIN: 07986827), who was appointed as an Additional Director in the capacity of an Independent Director, on the Board of the Company with effect from July 05, 2023, and who has submitted a declaration that she meets the criteria of independence as provided under the Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act, proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from July 05, 2023 up to July 04, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to take such steps and do all such acts, deeds, matters and things including filings as may be considered necessary, proper and expedient to give effect to this resolution and for matters connected therewith or incidental thereto."



**6. Re-appointment of Ms. Supriya Banerji (DIN:05209284) as an Independent Director for a Second Term of 5 (five) consecutive years**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and that of the Board, Ms. Supriya Banerji (DIN:05209284), who holds office as an Independent Director up to September 25, 2023 and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and who is eligible for re-appointment as an Independent Director of the Company, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, for a second term of 5 (five) years with effect from September 26, 2023 up to September 25, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to take such steps and do all such acts, deeds, matters and things including filings as may be considered necessary, proper and expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

**By Order of the Board of Directors  
De Nora India Limited**

Place: Kundaim, Goa  
Date: July 28, 2023

**Shrikant Pai  
Company Secretary  
ACS 40001**

**Registered Office:**

Plot No. 184, 185 & 189,  
Kundaim Industrial Estate,  
Kundaim - 403 115, Goa  
CIN: L31200GA1993PLC001335  
Email: [info.dni@denora.com](mailto:info.dni@denora.com)

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (‘AGM’) IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as a proxy on behalf of Members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company. A member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing the proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 (forty-eight) hours before the commencement of the AGM. Proxies submitted on behalf of Companies, Societies, Partnership Firms etc. must be supported by appropriate resolution or authority as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days advance notice in writing to this effect is given to the Company.
4. **Authorization u/s 113 of the Act by Corporate Shareholders:** Institutional/Corporate Shareholders (i.e., other than individuals/HUF, NRI etc.) are required to send a Certified True Copy of Board Resolution/ Authorization etc., to the Company in pursuance of Section 113 of the Companies Act, 2013 authorizing its representative to attend the AGM.
5. Members/Proxies/Authorized Representatives are requested to bring the duly filled and signed attendance slip (enclosed) complete in all respect, for attending the meeting.
6. Explanatory Statement pursuant to Section 102 of the Act, in respect of the Special Businesses to be transacted at the AGM as set out in the Notice is annexed hereto. In terms of Section 152 of the Companies Act, 2013, Mr. Francesco L’Abbate, Non-executive Director, retires by rotation and being eligible offers himself for re-appointment. Information required under Regulation 36(3) of Listing Regulations and SS-2 Secretarial Standards on General Meetings, in respect of the Director seeking appointment/re-appointment at the AGM is furnished as annexure to this Notice.



7. **E-voting facility:** In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (as amended), the Company is providing the facility of remote e-voting to all Members in respect of the business to be transacted at the AGM by availing the remote e-voting services provided by Central Depository Services (India) Limited (CDSL).
8. Any Members desiring any information / clarification on the accounts and operations are requested to write to the Company at least seven days in advance to enable the Management to compile the relevant information to reply same in the meeting.
9. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection by the Members during the Annual General Meeting of the Company. Relevant documents referred to in the accompanying Notice shall be available for inspection by the Members at the Registered Office of the Company during business hours, from 9.00 a.m. to 5.00 p.m. on all working days up to the date of the AGM.
10. Pursuant to Section 101 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the said Notice of AGM along with Annual Report, the Attendance Slip and Proxy Form is being sent to the Members whose names are recorded in the Register of Members / Register of Beneficial owners, by permitted / requisitioned mode individually at their registered postal address / sent electronically at their e-mail address available with the Company or with the Depository Participant(s).

Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent, M/s. Bigshare Services Private Limited, in respect of shares held in physical form.
11. The Notice calling the AGM along with Annual report 2022-23 will be available on the website of the Company at [india.denora.com](http://india.denora.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL i.e., [www.evotingindia.com](http://www.evotingindia.com).
12. The route map to reach the meeting venue showing the prominent landmark is given at the end of this Notice.
13. **Book closure:** The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, September 6, 2023, to Tuesday, September 12, 2023 (both days inclusive).
14. **Cut-off date for Remote e-voting:** The Company has fixed Tuesday, September 5, 2023, as the cut-off date for remote e-voting. The remote e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the cut-off date i.e., Tuesday, September 5, 2023, only. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. **Nomination Facility:** Pursuant to Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members are entitled to make nomination in respect of shares held by them. Members desirous of making nominations are requested to send their requests in the prescribed Form (SH-13) duly filled, to the Company's Registrar & Transfer Agent (RTA) i.e., M/s. Bigshare Services Private Limited. Members holding shares in demat form may contact their Depository Participants ('DP') for availing this facility.
16. **Dividend:** Dividend as recommended by the Board for the Financial Year 31<sup>st</sup> March 2023, if approved at the AGM, will be paid, subject to deduction of tax at source, as applicable, to those Members whose names appear in the Register of Members as at the end of business hours on Tuesday, September 5, 2023 and who are beneficial owners as at the close of business hours on the said date as per the beneficiary list provided by Central Depository Services (India) Limited and National Securities Depository Limited.

Pursuant to Regulation 12 of Listing Regulations read with Schedule I to the said regulations, it is mandatory for the Company to use bank details as furnished by the investors for the payment of dividend through any RBI approved electronic mode of payment. In case, the bank details are not available, or the Company is unable to pay the dividend directly through electronic mode, the Company shall, dispatch the dividend warrant / banker's cheque / demand draft to such Member by post in due course.

Further in terms of Schedule I to the Listing Regulations, the Company is required to mandatorily print the bank account details of the investors on such payment instruments and in cases where the bank details of investors are not available, the Company shall mandatorily print the address of the investor on such payment instruments.



17. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend, are requested to notify the Registrar and Share Transfer Agent of the Company M/s. Bigshare Services Private Limited.

Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate to their Depository Participant only, as the Company or its Registrar and Share Transfer Agent cannot act on any request received directly on the same.

18. **TDS on Divided:** Members may note that the Income Tax Act, 1961 ("the IT Act") as amended by the Finance Act 2020, mandates that dividends paid or distributed by a Company after April 1, 2020, shall be taxable in the hands of Members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

- a) **For Resident Shareholders,** TDS shall be made under Section 194 of the IT Act at 10%\* on the amount of Dividend declared and paid by the Company during financial year 2023-24 provided valid PAN is registered by the Shareholder. If PAN is not registered or PAN is not valid, TDS would be deducted @ 20% as per Section 206AA of the IT Act. However, no tax shall be deducted on the Dividend payable to a resident Individual (with valid PAN details updated in their folio/client ID records) if the total dividend amount payable does not exceed ₹ 5,000 and also in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm or HUF)/Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions specified in the IT Act are being met. Resident shareholders may also submit documents as prescribed under the IT Act to claim a lower / nil withholding tax.

\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under section 206AB of the Finance Act, 2021.

\* As per section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all consequences under the IT Act and tax shall be deducted at the higher rates as prescribed under the IT Act.

- b) **For non-resident Shareholders,** taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") read with Multilateral Instrument (MLI), between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Self-attested copy of Permanent Account Number (PAN card) allotted by the Indian Income Tax authorities or details as prescribed under rule 37BC of the Income-tax Rules, 1962
- Self-attested copy of Tax Residency Certificate (TRC) for the financial year 2023-24 from the tax authorities of the country of which the shareholder is resident.
- Self-declaration in Form 10F
- Self-declaration by the Member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the Member

In case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the IT Act at the rate of 20%\*\* (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.



\*\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

Please note that the application of beneficial Tax Treaty Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders. In case the documents are found to be incomplete, the Company reserves the right to not consider the tax rate prescribed under the tax treaty.

- c) In order to enable us to determine the appropriate TDS/withholding tax rate applicable, we request you to provide the details and documents as mentioned above by email to our RTA at [tds@bigshareonline.com](mailto:tds@bigshareonline.com) or to the Company at [info.dni@denora.com](mailto:info.dni@denora.com) on or before Friday, September 8, 2023. Any communication in relation to tax rate determination/deduction received after the said date shall not be considered.
- d) Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.
- e) The documents furnished by the shareholders (such as Form 15G/15H, TRC, Form 10F, Self-Attested Declaration etc.) shall be subject to review and examination by the Company before granting any beneficial rate or NIL Rate. The Company reserves the right to reject the documents in case of any discrepancies or the documents are found to be incomplete.
- f) It may be further noted that in case the TDS on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against Company for any taxes deducted by the Company.
- g) The certificate in respect of tax deducted at source, if any, will be emailed directly to the Shareholder after filing the quarterly TDS Returns of the Company, post payment of the said Dividend.

Shareholders will also be able to view the credit of TDS in Form 26AS, which can be downloaded from Income Tax Department's website.

- h) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
19. **Update of PAN, KYC and Nomination details:** SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA. The forms for updating the same are available on the website of the Company and RTA.
- In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, in accordance with the SEBI circular dated March 16, 2023, RTA of the Company is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.
20. The Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, residential status, telephone/ mobile numbers, PAN, Bank account details, nominations, power of attorney, etc., to their DPs in case the shares are held in electronic form and to RTA of the Company, in case the shares are held in physical form. Members must quote their Folio No./Client ID and DP ID and contact details such as e-mail address, contact no., etc. in all their correspondence with the Company / RTA.
21. **Transfer of shares permitted in demat form only:** In terms of amendments to Regulation 39 and 40 of Listing Regulations and SEBI Circulars dated January 24, 2022, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository and all the investor service requests for processing of transfer / transmission / duplicate certificate etc. shall be processed in dematerialized mode only. In view of this and to eliminate risks associated with physical shares, all the Members holding shares in physical form are requested to dematerialize their shareholding at the earliest.



**22. Transfer of Unclaimed/Unpaid Dividend to IEPF:**

In terms of Section 124 of the Act and Rules made thereunder, dividends that are unclaimed/ unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, during the year, the unpaid / unclaimed dividend of the financial year ended December 31, 2014, amounting to ₹ 1,19,913/- was transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Government of India. During the year the Company has also transferred ₹ 49,491/- as benefits (dividend) arising on shares already transferred to IEPF.

The details in respect of unclaimed / unpaid dividend and due dates for transfer to IEPF are as under:

Dividend for FY ended	Date of declaration of Dividend	Due date by which unclaimed dividend can be claimed
March 31, 2016	September 21, 2016	October 23, 2023
March 31, 2017	September 27, 2017	November 01, 2024
March 31, 2018	September 26, 2018	October 30, 2025
March 31, 2021	September 23, 2021	October 27, 2028
March 31, 2022	September 28, 2022	October 30, 2029

Any Member, who has not claimed dividend in respect of the aforesaid financial years, is requested to approach the Company/Registrar and Transfer Agent for claiming the same, at least 30 days before they are due for transfer to the said fund. Once the amount is transferred by the Company to IEPF, no claim thereof shall lie against the Company.

**23. Transfer of shares to IEPF:** Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

In accordance with IEPF Rules, during the year under review, 11,760 shares on which the dividends remained unpaid or unclaimed for seven consecutive years were transferred to the demat account of the IEPF Authority after following the prescribed procedure. The voting rights on shares transferred to IEPF remains frozen until the rightful owner claims the shares.

The Company sends reminders to the Members concerned to claim their dividend in order to avoid transfer of shares to IEPF Authority and Notices in

this regard are also published in the newspapers in accordance with IEPF Rules. The details of such Members and shares due for transfer are uploaded on the "Investors Section" of the website of the Company, i.e., [india.denora.com](http://india.denora.com). In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules.

The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the web Form No. IEPF-5. In case, the Members have any queries on the subject matter and the IEPF Rules, they may contact the Company's Registrar and Transfer Agent, M/s. Bigshare Services Private Limited.

**24.** In case individual shareholder, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of the AGM and holding shares in demat mode as on the cut-off date, may follow the steps mentioned under Sl. No. 28 and 29 below for obtaining login credentials for evoting.

**25.** Ms. Rakhee Raghunath Malkarnekar, Practicing Company Secretary (ICSI Membership No. A56859, COP No. 21439), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner.

**26.** The Scrutinizer shall after the conclusion of e-voting at the AGM, unblock the votes cast through e-voting and during the AGM in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 (forty eight) hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes if any, and whether the resolution has been carried or not, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith. The resolutions shall be deemed to be passed at the AGM of the Company subject to obtaining requisite votes thereto.

**27.** The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [india.denora.com](http://india.denora.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing and shall also be communicated to National Stock Exchange of India Limited, Mumbai & BSE Limited, Mumbai.





**28. THE INTRUCTIONS TO SHAREHOLDERS FOR E-VOTING ARE AS UNDER:**

- (i) The remote e-voting facility will be available during the following period.

**Commencement of remote e-voting:** From 9:00 a.m. (IST) on Saturday, September 9, 2023.

**End of remote e-voting:** At 5:00 p.m. (IST) on Monday, September 11, 2023.

During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Tuesday, September 5, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

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



Individual Shareholders holding securities in Demat mode with NSDL Depository	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
---	--

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
--	--

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) **Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.**

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

1. Click on “Shareholders” module.
2. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.



3. Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.

4. If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alphanumeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

- (viii) Click on the EVSN for the "DE NORA INDIA LIMITED".

- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**(xvi) Facility for Non – Individual Shareholders and Custodians – Remote e-voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.



- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz [rakhi1418@gmail.com](mailto:rakhi1418@gmail.com) and to the Company at the email address viz [info.dni@denora.com](mailto:info.dni@denora.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
29. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.:**
- (i) **For Physical shareholders** - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at [info.dni@denora.com](mailto:info.dni@denora.com) /RTA at [info@bigshareonline.com](mailto:info@bigshareonline.com).
  - (ii) **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
  - (iii) **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.
30. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.
31. The Company would also provide the facility for voting through the ballot or polling paper at the AGM to the Members attending the AGM who have not already cast their vote by remote e-voting to enable them to exercise their right of voting at the meeting.
32. A Member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a Member cast votes by both the modes, then the vote casted through e-voting shall prevail and the vote casted through other mean shall be treated as invalid.
33. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
34. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Polling Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement, sets out all the material facts relating to the Item No. 4 to 6 of the accompanying Notice dated July 28, 2023:

**Item No. 4 - Appointment of the Statutory Auditors of the Company**

This Explanatory Statement is in terms of Regulation 36(5) of the Listing Regulations.

M/s. MSKA and Associates, Chartered Accountants (FRN: 105047W), were appointed as the Statutory Auditors of the Company at the 29<sup>th</sup> Annual General Meeting ('AGM') of the Company held on September 26, 2018, for a term of five (5) years. Accordingly, the term of M/s. MSKA and Associates, Chartered Accountants, gets completed on the conclusion of the ensuing AGM.

Pursuant to recommendation of Audit Committee, the Board of Directors has recommended the appointment of M/s. Price Waterhouse Chartered Accountants LLP (FRN: 012754N/N500016) as Statutory Auditors of the Company for a period of 5 (five) years, commencing from the conclusion of 34<sup>th</sup> AGM till the conclusion of the 39<sup>th</sup> AGM, subject to approval of Shareholders at this AGM.

M/s. Price Waterhouse Chartered Accountants LLP have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the Section 139(1) and Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the Chartered Accountants Act, 1949 and applicable Rules thereunder. They have also provided confirmation that they have subjected themselves to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'.

M/s. Price Waterhouse Chartered Accountants LLP, (the "Firm") is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of the Firm is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110 002 and has nine branch offices in various cities in India.

The Audit Committee and Board of Directors have considered various parameters like experience of engaging partner, audit team and firm, clientele served, audit fees, capability to serve a complex business entity as that of the Company etc. and found M/s. Price Waterhouse Chartered Accountants LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

Appointment as Statutory Auditors of the Company Shall be from conclusion of 34<sup>th</sup> AGM up to the conclusion of 39<sup>th</sup> AGM to carry out Audit of the Financial Statements and Annual Financial Results of the Company and Limited Review of the Unaudited Quarterly Financial Results of the

Company. All other terms of appointment shall be as per Letter of Engagement.

The Proposed fee for the 1<sup>st</sup> and 2<sup>nd</sup> year i.e., for FY 2023-24 and 2024-25 is ₹ 26.50 Lakhs plus applicable taxes and reimbursement of travelling and other out-of-pocket expenses actually incurred by them subject to maximum of ₹ 1.50 Lakhs per annum in connection with the scope of audit. Further, the Board, in consultation with the Audit Committee shall be authorised to approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Existing Auditors have been paid the fee of ₹ 26.50 lakhs in addition to applicable taxes and reimbursement of out-of-pocket expenses, if any during the FY 2022-23. There are no material changes in the fee payable to new Statutory Auditors from that paid to the outgoing Statutory Auditors.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the notice. The Board recommends the resolution set forth in Item No. 4 of the notice for approval of the Members.

**Item No. 5 - Appointment of Ms. Lalita Correia Afonso (DIN: 07986827) as an Independent Director**

Pursuant to Section 161 of the Companies Act, 2013, the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Lalita Correia Afonso (DIN: 07986827), as an Additional Director of the Company in the category of Non-executive and Independent Director, for a period of 5 (five) years with effect from July 5, 2023 upto July 4, 2028, subject to approval of the Shareholders by way of special resolution.

Ms. Lalita Correia Afonso has given her consent in writing to act as a director and has also provided a declaration to the effect that she meets the criteria of independence as provided in the Act read with the Rules framed thereunder and the Listing Regulations. She has confirmed that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and she is not debarred from accessing the capital market and / or restrained from holding the position of Director in any listed Company by virtue of any order of SEBI or any other such authority. In terms of Regulation 25(8) of the Listing Regulations, she has also confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director without any external influence.

Ms. Lalita Correia Afonso has declared that she is in compliance with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Company has received a notice in writing from a Member, in terms of Section 160 of the Act, proposing her appointment as Independent Director of the Company.



Brief resume of Ms. Lalita Correia Afonso and requisite details pursuant to Regulation 36(3) of Listing Regulations and SS-2 on General Meetings, are given in the Annexure to the Notice. A copy of the draft letter of her appointment as an Independent Director setting out the terms and conditions shall be available for inspection by the Members at the Registered Office of the Company during business hours on any working day of the Company, up to the date of the AGM and will also be available for inspection at the venue of the AGM without payment of any fees.

Save and except Ms. Lalita Correia Afonso, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of this notice.

In the opinion of the NRC and Board, Ms. Lalita Correia Afonso fulfills the conditions specified in the Act and the Listing Regulations for her appointment as an Independent Director and possesses appropriate skills, experience, knowledge and competencies to enable the Board to discharge its functions and duties effectively and is independent of the Management of the Company.

The Board is of the view that Ms. Lalita Correia Afonso possesses the requisite knowledge, expertise and capabilities, which would be of immense benefit to the Company and hence, it is desirable to appoint her as an Independent Director. The Board recommends the Special Resolution as set out in the Item No. 5 of the Notice, for approval of Members of the Company.

**Item No. 6 - Re-appointment of Ms. Supriya Banerji (DIN:05209284) as an Independent Director for a Second Term of 5 (five) consecutive years**

Ms. Supriya Banerji (DIN: 05209284) was appointed as Non-Executive Independent Director of the Company to hold office for a term of 5 (five) consecutive years by the Shareholders at the 29<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September 2018. Her first term of 5 (five) consecutive years as an Independent Director concludes on Monday, September 25, 2023.

In terms of Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report. Section 149(11) of the Act, further provides that an Independent Director may hold office for upto two consecutive terms.

The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Ms. Supriya Banerji for the office of Independent Director

of the Company. Ms. Supriya Banerji has confirmed that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent in writing to act as Director. The Company has received all statutory disclosures/declarations from Ms. Supriya Banerji including, a declaration to the effect that she meets the criteria of independence as provided in the Act read with the Rules framed thereunder and the Listing Regulations. She has further confirmed that she is not aware of any circumstance or situation which exist or may be reasonably anticipated that could impair or impact her ability to discharge her duties without any external influence.

The Nomination and Remuneration Committee, at its Meeting held on July 5, 2023, after taking into account the performance evaluation of Ms. Supriya Banerji during her first term of five years and considering her knowledge, skills, acumen, expertise, experience, significant contribution and time commitment, has recommended her re-appointment as an Independent Director for a second term of 5 (five) consecutive years. The Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee have approved her reappointment as an Independent Director for the second term with effect from September 26, 2023 to September 25, 2028, subject to approval of the Members.

In the opinion of the Board, and based on its evaluation, Ms. Supriya Banerji fulfils the conditions specified in the Companies Act, 2013, Rules made thereunder and Listing Regulations for her re-appointment as an Independent Director of the Company and is independent of the Management.

Brief resume of Ms. Supriya Banerji and requisite details pursuant to Regulation 36(3) of Listing Regulations and SS-2 on General Meetings, are given in the Annexure to the Notice. A copy of the draft letter of her re-appointment setting out the terms and conditions is available for inspection by the Members at the Registered Office of the Company during business hours on any working day of the Company, up to the date of the AGM and will also be available for inspection at the venue of the AGM without payment of any fees.

Save and except Ms. Supriya Banerji, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of this notice.

Keeping in view her expertise and knowledge, the Board considers that her continued association would be of immense benefit to the Company. The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.



**Details of Directors seeking Appointment/re-appointment at the forthcoming AGM**

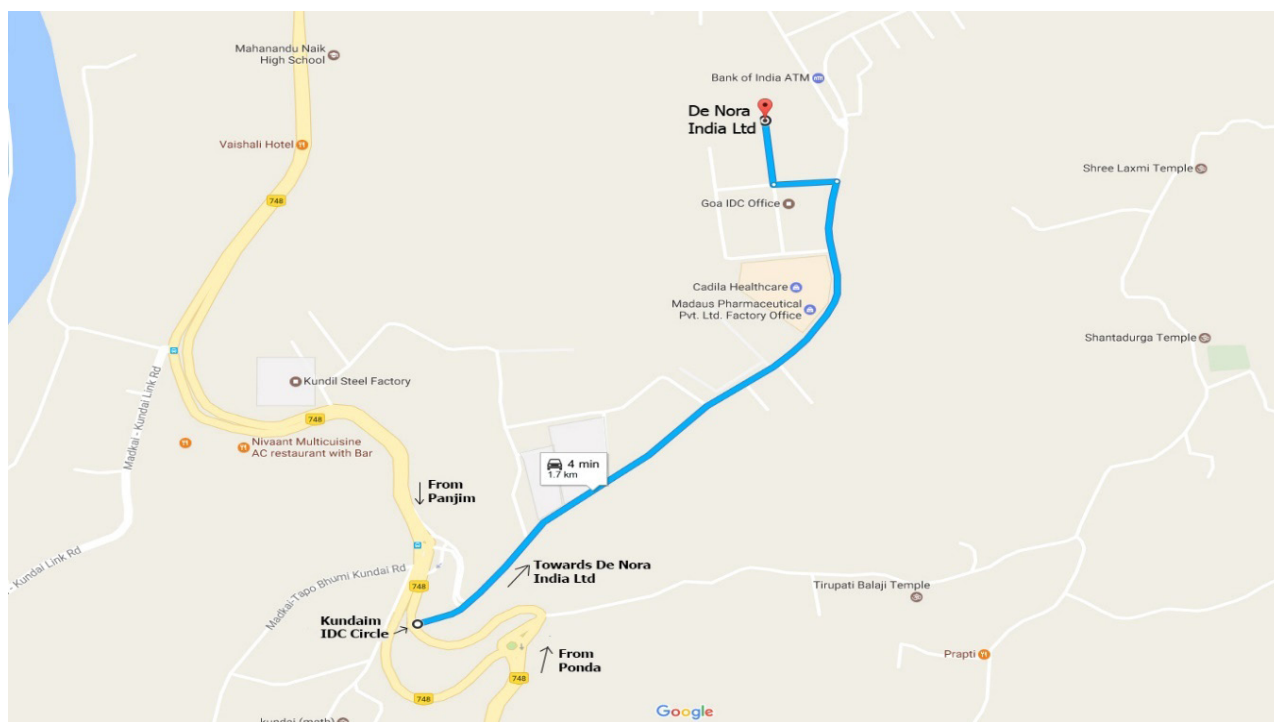
(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of clause 1.2.5 of Secretarial Standard -2 on General Meetings issued by ICSI)

Particulars	Item No. 3	Item No. 5	Item No. 6
<b>Name</b>	<b>Francesco L'Abbate</b>	<b>Lalita Correia Afonso</b>	<b>Supriya Banerji</b>
<b>DIN</b>	08063332	07986827	05209284
<b>Date of Birth and Age</b>	31.10.1981 (41 years)	13.11.1963 (59 years)	10.05.1956 (67 years)
<b>Qualification</b>	Graduate in Economy and Business Administration from Luigi Bocconi University, Milan	Chartered Accountant from ICAI	Postgraduate in sociology from the Mumbai University.
<b>Experience (including nature expertise in Specific Functional Area) / Brief Resume</b>	He has vast experience of over 22 years in Administration, Finance and Control departments. He is currently in charge as an Administration, Finance & Control Manager of De Nora Deutschland, Germany and is also responsible as a Business Controller for Industrie De Nora S.p.A, Italy, the group Companies of De Nora India Limited. He has been a member of the Internal Audit Team, Due Diligence Team and Project leader for the group rolling budgeting / forecasting and CAPEX management procedures among other assignments.	She is a Chartered Accountant with over three decades of managerial experience in Corporate Finance and Accounts. Her expertise spans various areas including Financial Control, treasury management, corporate and project finance, taxation, accounts, M&A, and business restructuring. She has served as Chief Financial Officer of Sesa Goa Limited. She has been associated as a committee chairperson for Tourism at the Goa Chamber of Commerce and Industry (GCCCI) and as a committee member at Goa Mineral Ore Exporters Association (GMOEA). Currently, she serves as an Independent Director on the Board of EDC Limited, Goa, since 2017.	She was working as a Deputy Director General of Confederation of Indian Industry, handling responsibilities like International Affairs, Skill Development, Education, Affirmative Action, CSR etc. for 32 years, before she retired in May 2016. She was the Head of UK operations of the CII from 1993 to 2001, based in London. Her responsibility included enhancing bilateral investment and trade, for which she worked with both Governments and industry closely. She was also inducted as the Regional Director of CII's operations in Southern India where she worked with the Southern State Governments on policy issues, enhancing efficiency, competitiveness, fast tracking specialized projects and highlighting industry's position on various policy and social / developmental issues. In 2009 she was deputed from the CII for a year to set up the National Skill Development Corporation (NSDC). She is on the Advisory Board of the Sasakawa India Leprosy Foundation, New Delhi, besides being on the Board of De Nora India Limited.
<b>Relationship with other Directors</b>	NIL	NIL	NIL
<b>Remuneration sought to be paid</b>	Sitting fees for attending Board Meetings.	Sitting fees for attending Board Meetings and Committee Meetings, where she is a member.	Sitting fees for attending Board Meetings and Committee Meetings, where she is a member.
<b>Directorships held in other companies</b>	NIL	EDC Limited	NIL
<b>Memberships/ Chairmanships of committees of other companies</b>	NIL	EDC Limited • Audit Committee (Member) • Risk Management Committee (Chairperson)	NIL



<b>Listed Entities from which he/she has resigned as Director in past 3 years</b>	NIL	NIL	NIL
<b>Date of first appointment on the Board of the Company</b>	January 29, 2018	July 5, 2023	October 27, 2016
<b>Shareholding in the Company</b>	NIL	NIL	NIL
<b>Number of Board meeting attended during the Financial Year 2022- 23</b>	2	Not applicable	3
<b>Skills and capabilities required for the role of Independent Director and the manner in which he/she meets such requirements</b>	Not applicable	Possesses skills and expertise in Corporate Finance, Audit, Risk Management etc.	Possesses skills and expertise in Stakeholders Management, Strategic thinking, Policy decisions etc.

**Route Map**







## BOARD'S REPORT

### Dear Members,

Your Directors are pleased to present the 34<sup>th</sup> (Thirty Fourth) Board's Report on the business and operations of the Company together with the audited financial statements for the year ended March 31, 2023.

### 1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2023, is summarized below.

(₹ in Lakhs)

Particulars	FY	FY
	2022-23	2021-22
	Audited	Audited
Revenue from Operations	7,358.02	7,416.65
Other Income	385.52	95.85
Total	7,743.54	7,512.50
Profit before Depreciation, Exceptional items and Tax Expense	2,852.17	2,362.72
Less: Depreciation/ Amortization/ Impairment	136.87	266.96
Profit before Exceptional items and Tax Expense	2,715.30	2,095.75
Exceptional Items	-	-
Profit/(Loss) before Taxation	2,715.30	2,095.75
Less: Tax Expense (Current & Deferred)	687.70	550.72
Net Profit	2,027.60	1,545.03
Other Comprehensive Income/(Loss) (net of tax)	4.99	(1.43)
Total Income for the year	2,032.59	1,543.60

Note: Previous year's figures have been regrouped for comparison purposes with current year's presentation wherever necessary.

### 2. OVERVIEW OF COMPANY OPERATIONS & PERFORMANCE

The Company is primarily a manufacturer of Electrolytic Products such as anodes, cathodes, electrochlorinators and Water Technology products and is managed organizationally as a single unit. The operations of the Company have been stable, but the management is focusing on improving the profitability in a sustainable manner.

Your Company reported a turnover of ₹ 7,358.02 lakhs for the year under review as compared to ₹ 7,416.65 lakhs in the previous year. The Company's Profit from Operations for the year under review was ₹ 2,715.30 lakhs as compared to ₹ 2,095.75 lakhs in the previous year.

The Profit after tax for the year ended March 31, 2023, was ₹ 2,027.60 lakhs as compared to ₹ 1,545.03 lakhs for the previous year ended March 31, 2022.

### 3. DIVIDEND

The Board of Directors have recommended a dividend of ₹ 2 per equity share of ₹ 10 each (i.e., 20%) for the financial year ended March 31, 2023, subject to the approval of Members at the 34<sup>th</sup> Annual General Meeting ('AGM').

### 4. TRANSFER TO RESERVES

The Company has not transferred any amount to the reserves of the Company during the Financial year under review.

### 5. SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2023 was ₹ 530.86 lakhs comprising of 53,08,634 equity shares of ₹ 10 each. During the year under review there has been no change in the capital structure of the Company.

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In terms of Section 152 of the Act, Mr. Robert Scannell (DIN:06818489) Non-Executive, Non-Independent Director, retired by rotation and was re-appointed by the Members at the 33<sup>rd</sup> AGM held on September 28, 2022.

#### Director liable to retire by rotation and seeking re-appointment at the ensuing AGM

In accordance with the provisions of Section 152 Act, Mr. Francesco L'Abbate, Non-executive, Non-Independent Director of the Company, retires by rotation at the 34<sup>th</sup> AGM of the Company and being eligible has offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice. The Board has recommended his re-appointment at the forthcoming Annual General Meeting as Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

#### Re-appointment of Managing Director

Your Board in its Meeting held on April 5, 2022, on recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders, re-appointed Mr. Vinay Chopra (DIN: 06543610), as Managing Director of your Company for three years w.e.f. July 16, 2022, upto July 15,



2025. Further, the Shareholders of the Company have passed the necessary resolution for re-appointment of Mr. Vinay Chopra, as Managing Director for a term of 3 (three) years and the Remuneration payable to him through Postal Ballot by remote e-voting on May15, 2022.

#### **Resignation of Director**

Post the year end, Mr. Satish Dhume, Independent Director, resigned from the Board with effect from 22<sup>nd</sup> May 2023. The Board, places on record its appreciation for the valuable guidance and contribution provided by Mr. Satish Dhume in the deliberations of the Board during his tenure as Independent Director.

#### **Appointment/ Re-appointment of Director**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Ms. Lalita Correia Afonso (DIN: 07986827) as an Additional Director (Non-Executive and Independent Director) of the Company with effect from July 5, 2023, to hold office up to the date of ensuing Annual General Meeting.

Ms. Supriya Banerji is completing her first term of 5 (five) consecutive years as an Independent Director on Monday, September 25, 2023. The Board, based on the recommendation of Nomination and Remuneration Committee, approved her re-appointment as an Independent Director for second term of 5 (five) consecutive years with effect from September 26, 2023 till September 25, 2028, subject to approval of the Members of the Company in the ensuing Annual General Meeting of the Company.

The Company has received requisite notice from a member under Section 160 of the Companies Act, 2013, proposing the appointment of Ms. Lalita Correia Afonso and re-appointment of Ms. Supriya Banerji at the AGM. Brief resume and other details of the Director(s) being appointed/re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI (LODR) Regulations, is separately disclosed in the Notice of the 34<sup>th</sup> AGM.

#### **Key Managerial Personnel (KMP)**

Mr. Vinay Chopra, Managing Director, Mr. Deepak Nagvekar, Chief Financial Officer and Mr. Shrikant Pai, Company Secretary continued to be the Key Managerial Personnel of the Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as on the date of this Report.

#### **7. NUMBER OF BOARD MEETINGS**

During the year under review, 5 (five) meetings of the Board of Directors were held. The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 as amended from time to time. The details of the meetings of the Board of Directors of the Company held and attended by the Directors during the financial year 2022-23 are given in the Corporate Governance Report which forms part of this Board's Report.

#### **8. COMMITTEES OF THE BOARD**

As on 31<sup>st</sup> March 2023, the Board has 4 (Four) Committees: Audit Committee, Nomination & Remuneration Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility Committee.

The details of composition, terms of reference, meetings held during the year of the Board and its Committees are provided in the Report on Corporate Governance. All recommendations made by the various committees during the year under review, have been accepted by the Board.

#### **9. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a. in the preparation of the annual accounts the applicable accounting standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## 10. INDEPENDENT DIRECTORS

The Independent Directors of the Company have submitted requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. Based on the declarations received from Independent Directors and in the opinion of the Board, all the Independent Directors possess the requisite qualification, experience, expertise, integrity and proficiency required for appointment as Independent Director of the Company.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by Indian Institute of Corporate Affairs (IICA).

## 11. BOARD PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing regulations, the Board of Directors has carried out an annual evaluation of its own performance, directors individually and committees of the Board in accordance with the parameters for such evaluation formulated by the Nomination and Remuneration Committee. This exercise was carried out through a structured questionnaires which were circulated to the members of the Board and Committees soliciting their feedback.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on various aspects of the functioning of the Board. Evaluation of the Board was based on criteria such as Board's understanding of its responsibilities, diversity and inclusiveness within the Board, strategic direction and guidance to the organisation, quality of Board discussion, Board communication and relationships etc.

Evaluation of Committees is based on criteria such as their effectiveness in carrying out their respective mandates, the frequency of meetings, time allocated for discussions during these meetings, Committee's contribution and recommendation to the Board in the decision making process etc.

The Board evaluated the performance of individual directors based on parameters such as contribution of the director to Board deliberations, attendance, ability to guide the Company in key matters, knowledge and understanding of significant developments etc. No Director participated in his/her own evaluation. Further, the performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria, independent judgement in Board deliberations and their independence from the Management.

The Independent Directors of your Company met on April 5, 2022, without the presence of Non-Independent / Executive Directors and Members of the Management. At this Meeting, the Independent Directors reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole, reviewed the performance of the Chairman of your Board taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The outcome of the evaluation process are deliberated at the Board meeting and actionable areas are discussed and acted upon. Based on various evaluation criteria, the performance of the Board, various Board Committees, Chairman and Individual Directors (including Independent Directors) was found to be satisfactory. The Directors were satisfied with the Company's standard of governance, its transparency, meeting practices and overall Board effectiveness.

## 12. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34(2)(e) of Listing Regulations, the Directors' comments on the operations, performance and future outlook of the Company is given in the Management's Discussion and Analysis, appended to the Board's Report as 'Annexure - I'.

## 13. AUDIT COMMITTEE

The Audit Committee is duly constituted as per the provisions of the Act read with applicable Rules framed thereunder and the Listing Regulations. The details pertaining to the composition of the Audit Committee, number of meetings, terms of reference etc. are provided in the Corporate Governance Report, which forms part of this Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.



#### 14. RELATED PARTY TRANSACTIONS

All the transactions entered with Related Parties by the Company during the year under review were in the ordinary course of business and on 'arm's length' basis. All the transactions with related parties are placed before the Audit Committee and Board for approval. Prior omnibus approval of the Audit Committee and approval of the Board is obtained for the related party transactions which are repetitive in nature. The Audit Committee reviews all transactions entered into pursuant to the omnibus approval so granted on a quarterly basis.

During the year under review, the Company had obtained approval of Members through Postal Ballot for entering into Material Related Party Transactions with De Nora Italy S.r.l., Italy, upto a maximum aggregate value of ₹ 4,000 Lakhs during the financial year 2022-23. Form AOC-2, pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is set out in the 'Annexure- II' to this report. Disclosure on related party transactions as per IND AS-24 have been provided in notes to accounts annexed to the financial statements.

The Company in terms of Regulation 23 of the Listing Regulations, submits within the stipulated time from the date of publication of its financial results for the half year, disclosures of related party transactions, in the format specified to the stock exchanges.

In line with the requirements of the Companies Act, 2013 and amendment to the Listing Regulations, the Company has formulated a Policy on Materiality and dealing with Related Party Transactions which is also available on the website of the Company at <https://india.denora.com/company/shareholder-information.html>.

#### 15. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The remuneration paid to Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy of the Company formulated as per Section 178 of the Companies Act, 2013 and Regulation 19 read with Schedule II of the Listing Regulations. The details of remuneration to Directors during the year under review is given in the Corporate Governance Report which forms part of this report.

Information under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in a separate annexure to this report as 'Annexure - III'.

During the year there were no employees who if employed throughout the financial year were in

receipt of remuneration of ₹ 102 Lakhs or more per annum or if employed for part of financial year was in receipt of remuneration of ₹ 8.5 Lakhs or more per month. There were no employees who if employed throughout the financial year or part thereof, were in receipt of remuneration in the financial year which, in the aggregate, or as the case may be, at a rate which, in the aggregate was in excess of that drawn by the Managing Director and held by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

The statement containing particulars of top 10 employees under Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, in terms of Section 136 of the Act, the report and the accounts are being sent to the Members excluding the aforesaid annexure. The said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure are related to any Director of the Company.

#### 16. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

CSR Committee of the Board is duly constituted to formulate and recommend to the Board the CSR Policy indicating the Company's CSR activities to be undertaken. Details of the role and functioning of the committee are given in the Corporate Governance Report which forms part of this Annual Report.

During the Financial Year ended 31<sup>st</sup> March 2023, the Company has incurred CSR expenditure of ₹ 25.88 Lakhs. The Corporate Social Responsibility Policy of the Company is available on the website of the Company at <https://india.denora.com/investors/shareholder-information.html>

The brief outline of CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities, along with other details for Financial Year 2022-23 in the format prescribed under Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms part of Annual Report on Corporate Social Responsibility as 'Annexure IV' to this Report.

#### 17. NOMINATION AND REMUNERATION POLICY & BOARD MEMBERSHIP CRITERIA

Pursuant to provisions of Section 178 of the Act and SEBI Listing Regulations, the Company has formulated a Nomination & Remuneration Policy for the Directors, Key Managerial Personnel and the Senior Management Employees. The salient feature of this policy is to lay down the criteria for appointment



of Director, Key Managerial and Senior Management positions in the Company and to ensure that level and composition of remuneration is reasonable and sufficient to attract, motivate and retain competitive executives. The Nomination and Remuneration Committee considers the qualification, experience, current trends in the industry, responsibilities shouldered by them, past performance, performance of the Company, the statutory provisions and other relevant factors while deciding on remuneration of Directors, Key Managerial and Senior Management Personnel.

The Nomination and remuneration Committee recommends to the Board the persons who may be appointed as Director of the Company, after evaluating the appointee against a range of criteria which include qualification, experience, independence, integrity, professional skills, ethical behaviour, sound business judgement, ability to participate constructively in deliberations to assist the Board in fulfilling its responsibilities and willingness to exercise authority in a collective manner. The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience. The details of skills, expertise and competencies identified by the Nomination and Remuneration Committee and the names of Directors who have such skills/ expertise/ competence are provided in detail in the Corporate Governance Report.

Details of the remuneration paid to the Board of Directors is provided in the Corporate Governance Report. During the year under review, no changes were made to the above policy.

The Policy is available on the Company's website at <https://india.denora.com/investors/shareholder-information.html>

#### **18. INTERNAL FINANCIAL CONTROLS ('IFC')**

The Internal Financial Controls adopted and followed by your Company are adequate with the scale and complexity of its operations and are operating effectively. These controls were tested by the Statutory as well as the Internal Auditors, during the Financial Year 2022-23 and no reportable material weaknesses or deficiency either in their design or operations were observed. The Audit Committee of the Board periodically reviews the adequacy and effectiveness of the Company's internal control systems and monitors the implementation of the audit recommendations.

The Internal Financial Controls of the Company seeks to ensure, orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and

detection of frauds and errors, compliance of all laws applicable to the Company, prevention and detection of frauds and errors and all transactions are authorized, recorded and reported appropriately.

#### **19. ANNUAL RETURN**

The Annual return of the Company as on 31<sup>st</sup> March 2023 in Form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company viz. <https://india.denora.com/investors/financial/annual-reports>.

#### **20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **Conservation of Energy**

As De Nora Group aims to provide new solutions that can contribute to achieving the United Nations 2030 Agenda and, in particular, of the Sustainable Development Goals (SDGs). Sustainability at De Nora India Limited starts with the continuous improvement through several initiatives. The Company has always been conscious of the need for conservation of energy and has implemented ISO 50001: 2018 an energy management system. Though the manufacturing activities of the company involve consumption of energy, it is not of major significance and no substantial investment was made for reduction of energy consumption. However, following efforts are initiated by the company to conserve energy at best possible ways.

1. Installation of LED lighting systems at head office with appropriate lux at working desk
2. Installation of PIR sensors at stores warehouse and at plants washroom for efficient use of energy
3. Duct A.C diffusers changed, and all leakages arrested for optimum cooling and low energy utilization.
4. Revamping/ upgradation/modification of equipment/ machine in plant for power optimization

The Company acknowledges that reducing the energy consumption of its operations is an ongoing continuous endeavour.

##### **Research and Development ('R&D') & Technology absorption**

The Company has an ongoing technical collaboration for Ion Exchange Membrane Electrolysers for chlor-alkali industry, electrochlorinators for water treatment and cathodic protection (anti corrosion) systems. The Company did not incur any expenditure on R&D during the year under review.



### **Foreign Exchange Earnings & Outgo**

Foreign Exchange Earnings - ₹ 1,035.90 Lakhs

Foreign Exchange Outgo - ₹ 3,340.19 Lakhs

### **21. RISK MANAGEMENT**

The Company has in place a robust Risk Management framework to identify and evaluate the risks. The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's Audit Committee oversees risk management procedures and reviews the adequacy and effectiveness of the risk management framework in relation to the risks faced by the Company. This framework seeks to ensure that all risks that the organisation faces including strategic, financial, operational, market, legal, regulatory, people and other risks are identified, the impact is assessed based on severity and likelihood, the mitigation plans are then drawn up and these plans are effectively reviewed and implemented. The framework seeks to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The senior management of your Company regularly reviews the risk management processes of your Company for effective risk management.

### **22. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your Company has established a Vigil Mechanism as envisaged in the Companies Act, 2013 and the Listing Regulations through the Company's Whistle Blower Policy to enable the Directors and employees of the Company to report genuine concerns / grievances about illegal or unethical practices in the Company, actual or suspected fraud or violation of the Company's Code or Policies. Whistleblower Policy also facilitates all employees of the Company to report any instances of leak of Unpublished Price Sensitive information. The vigil mechanism is overseen by the Audit Committee. It also provides adequate safeguards against victimization of persons who use such mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. During the year under review, there has been no incidence reported to the Audit Committee under the aforesaid mechanism.

The Policy may be accessed on the Company's website at the link <https://india.denora.com/investors/shareholder-information.html>

### **23. STATUTORY AUDITORS**

M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W) were appointed as the Statutory Auditor of the Company at the 29<sup>th</sup> Annual General Meeting held on September 26, 2018, to hold office for a term of five years from

the conclusion of said meeting till the conclusion of 34<sup>th</sup> Annual General Meeting to be held in the year 2023. Accordingly, M/s. MSKA & Associates will be completing their term of five years at the conclusion of forthcoming Annual General Meeting.

Your Board is proposing to appoint M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016), as the Statutory Auditors for a term of 5 years commencing from the conclusion of the 34<sup>th</sup> Annual General Meeting till the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2028.

M/s. Price Waterhouse Chartered Accountants LLP have consented to the said appointment, and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3) (g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. Further, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

As required under the provisions of Section 139(1) and 141 of the Companies Act, 2013 read with the Companies (Accounts and Auditors) Rules, 2014, the Company has received a certificate from them to the effect that they are eligible to act as Statutory Auditor of the Company.

The Audit Committee and the Board of Directors recommends the appointment of M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of your Company from the conclusion of the ensuing 34<sup>th</sup> Annual General Meeting till the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2028.

The Auditors' Report to the Members on the Financial Statements for the year ended March 31, 2023, forms part of the annual report and does not contain any qualification / reservations or adverse comments.

### **24. SECRETARIAL AUDIT**

In terms of the provisions of Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Ms. Rakhee Malkarnekar, Practising Company Secretary (Membership No. ACS 56859 & COP No. 21439) as the Secretarial Auditor for conducting the Secretarial Audit of the Company for the Financial Year ended March 31, 2023 due to the casual vacancy caused by the sudden demise of Mr. Sadashiv Shet, Practising Company Secretary.

The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March 2023 forms part of this Annual Report as '**Annexure - V**'. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.



**25. ANNUAL SECRETARIAL COMPLIANCE REPORT**

Pursuant to Regulation 24 (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Independent Secretarial Auditor had undertaken an audit for the Financial Year 2022-23 for the SEBI compliances. The Annual Secretarial Compliance Report has been submitted to the Stock Exchange within 60 days of the end of the Financial Year.

**26. COST AUDIT**

The maintenance of cost records is not applicable to the Company as per the Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

**27. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

**28. CORPORATE GOVERNANCE**

The Company has complied with the provisions relating to corporate governance as provided under the Listing Regulations. In compliance with Regulation 34 read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance along with the Auditor's Certificate on its compliance forms part of this Report as 'Annexure –VI'.

**29. PARTICULARS OF INVESTMENTS, LOANS AND GUARANTEES**

Particulars of investments made by the Company are given in the Notes to Financial Statements for the year ended March 31, 2023 which forms part of this Annual Report. During the year under review the Company has not given any loans or guarantees under Section 186 of the Act.

**30. HOLDING COMPANY**

As on March 31, 2023, the Promoter and the Holding company i.e., Oronzio De Nora International B. V. holds 28,49,500 equity shares representing 53.68% of the total paid-up equity share capital of the Company. There was no change in the shareholding of Oronzio De Nora International B. V. in the Company during the year. The Company continues to be a Subsidiary Company of Oronzio De Nora International B. V.

**31. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AS PER COMPANIES ACT, 2013**

As of March 31, 2023, the Company does not have any subsidiary, associate company or a joint venture. During the year, no other company became or ceased to be a Subsidiary / Associate / Joint Venture company of the Company.

**32. PUBLIC DEPOSITS**

Your Company has not accepted any deposits from public / Members falling under the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

**33. INVESTOR EDUCATION AND PROTECTION FUND**

Details pertaining to the unpaid/unclaimed dividend and the shares transferred or due to be transferred to the Investor Education and Protection Fund are provided in the notes to the Notice of the Annual General Meeting which forms part of this annual report.

**34. INDUSTRIAL RELATIONS**

Relationship between the Management of the Company and Worker's Union continue to remain cordial. The Management's Discussion & Analysis gives an overview of the developments in Human Resources/Industrial Relations during the year.

**35. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company is committed to provide a safe and respectable work environment to all its employees. The Company has in place a policy on Prevention of Sexual Harassment at workplace. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee ('ICC'). The ICC is composed of internal members and an external member who has extensive experience in the field.

The following is reported pursuant to sub-clause 10(l) of Clause C of Schedule V of the Listing Regulations:

- a. Number of complaints of sexual harassment received/ filed during the year: Nil
- b. Number of complaints disposed off during the year: Nil
- c. Number of complaints pending as on end of financial year: Nil



### 36. DETAILS OF NODAL OFFICER

The details of the Nodal Officer appointed by the Company under the provisions of the IEPF are given below and the same are disseminated on the website of the Company viz., [india.denora.com](http://india.denora.com).

Name of the Nodal Officer	Mr. Shrikant Pai – Company Secretary
Phone No.	0832 6731151
Email ID	<a href="mailto:shrikant.pai@denora.com">shrikant.pai@denora.com</a>
Correspondence Address	De Nora India Limited Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115

### 37. OTHER DISCLOSURES

The Directors state that during the year under review:

- a. There was no change in the nature of business of the Company;
- b. There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its future operations;
- c. There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year March 31, 2023 and the date of this Report;
- d. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- e. There was no revision in the financial statements of the Company;
- f. The Company has not issued any Sweat Equity Shares or Bonus Shares;

- g. No Employee Stock Option and Employee Stock Purchase Schemes were launched;
- h. There were no instances of frauds reported by the Statutory Auditors or Secretarial Auditors of the Company as specified under the second proviso of Section 143(12) of the Act;
- i. There is no application made or pending proceeding under the Insolvency and Bankruptcy Code, 2016;
- j. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

### 38. ACKNOWLEDGEMENT

The Board of Directors take this opportunity to thank the employees, customers, dealers, members, suppliers, bankers, government authorities, stock exchanges and all other business associates for their consistent support and co-operation to the Company during the year under review and look forward to their support in future as well.

**For and on behalf of the Board of Directors  
De Nora India Limited**

**Vinay Chopra**  
Managing Director  
DIN: 06543610

**Purushottam S. Mantri**  
Director  
DIN: 06785989

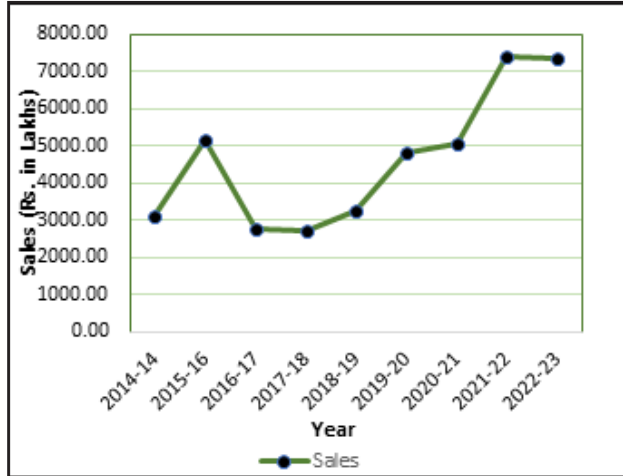
Place: Kundaim, Goa  
Date: July 28, 2023





### Performance Chart

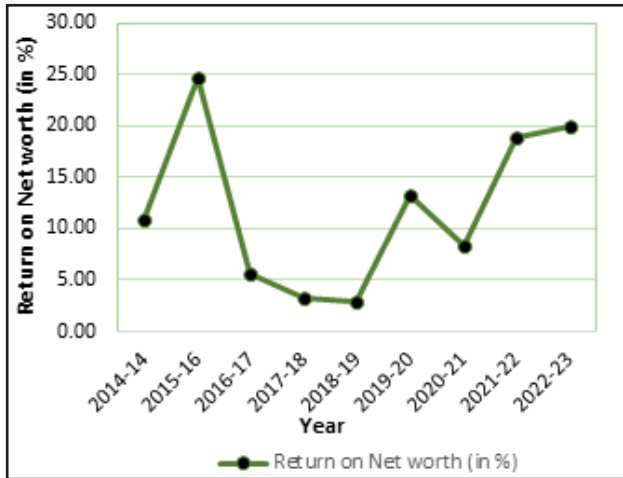
#### 1. Sales



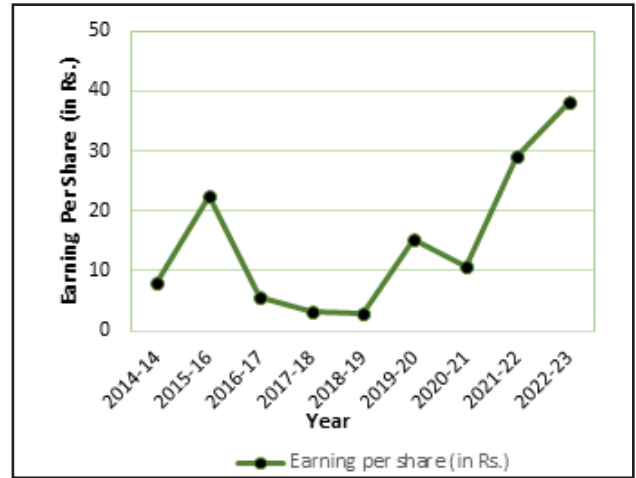
#### 2. Profit after Tax



#### 3. Return on Net worth



#### 4. Earning per Share





**Annexure-I**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**ECONOMIC OVERVIEW**

The global economy appears poised for gradual recovery from the geopolitical tensions, and the pandemic in 2022. Commodity prices that rose sharply following Russia's invasion of Ukraine have moderated, but the war continues, and geopolitical tensions are high. Supply-chain disruptions are unwinding, while the dislocations to energy and food markets caused by the war are receding. Policymakers' efforts to contain weakening global financial conditions, and reduced interest-rate-hiking cycles have contributed to the robust start of emerging market asset prices in Current Year 2023.

India faced challenges like easing commodity prices, weakened pandemic-era demand, fading base effect, tightening financial conditions, volatility, capital flow reversals, depreciation, and global trade slowdown. Strong macroeconomic fundamentals provided protection.

India's growth continues to be resilient despite some signs of moderation in growth. The Union Budget 2023-24's emphasis on capital expenditure is anticipated to stimulate private investment, boost job creation and demand, and boost India's potential growth. India's economic growth is driven by a surge in domestic consumption, rise in capital expenditure, foreign investments, supportive Government policies, a thriving manufacturing sector, and impressive export performance. Caution required for global developments and spill-overs. As reported by NSO in its Second Advanced Estimates Report, India's growth in GDP during 2022-23 is estimated at 7.0% as compared to that of 9.1% in 2021-22.

**COMPANY OVERVIEW**

De Nora India Limited ('DNIL') mainly catering to chlor-alkali industry for manufacture and coating of anode and cathode for electrolytic process, these electrodes are used by customers to produce Caustic soda and Chlorine which are building blocks in thousands of products that make life safer, healthier, easier, more comfortable, more energy efficient in one word more innovative. The product portfolio also includes anodes (LIDA™) for cathodic protection systems of steel structure, Platinized titanium anodes and GREENCHROME™ anodes for surface finishing application, Electrochlorination systems for water disinfection. De Nora vision is to deliver innovative technologies, products, and services to meet future challenges coming from environmental and industrial needs.

Recoating of anode and cathode is a specialised process, formulation of which involves use of noble metals. These formulations and processes are proprietary and because of its affiliation to 'Industrie De Nora', the Company has the authority to use these formulations and processes, giving it the prominent market share in India. DNIL not only provides support to caustic soda industry customers in India but is also equipped to give technical support to electrolytic processes sector.

Despite the global economic challenges, Company maintains a positive outlook. We feel pride and gratitude of being part of a very resilient Group made of colleagues who continue to do their best to overcome the difficulties experienced and to keep our customers happy and engaged with us. The prevailing uncertainties in the geopolitical landscape give very practical meaning to De Nora's purpose of empowering collaboration and championing resilience.

**DE NORA GROUP**

Industrie De Nora S.p.A. (hereinafter the "Parent Company" and together with its subsidiaries the "De Nora Group") is a joint-stock Company incorporated and registered in Italy. The registered office of Parent Company is located at Via Bistolfi 35, Milan (Italy). On June 30, 2022, the parent Company completed the process of listing its ordinary shares on Euronext Milan Market. De Nora group is celebrating its centennial year in 2023. De Nora Group prides itself of 100 years in the electro-chemical industry. It was hundred years ago in 1923 when our founder Oronzio De Nora became an electrochemical entrepreneur and founded De Nora Group. Electrochemistry wouldn't have been the same if Oronzio De Nora hadn't had the visionary intuition which brought him to register his first patent in 1923. Today De Nora Group, specializing in electrochemistry, is known as a leading global player in sustainable technologies and is a world leader in the supply of technologies for the production of chlorine and caustic soda and the largest supplier of electrodes for the electrochemical industry.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The chlor-alkali industry in India is an important component of the basic chemicals industry. Caustic soda, soda ash, chlorine alongside hydrogen and hydrochloric acid comprise the chlor-alkali industry's components. These chemicals find their applications in several industries such as textiles, chemicals, paper, PVC, water treatment, alumina, soaps & detergents, pharmaceuticals, glass, chlorinated paraffin wax, among others. The various technologies, which are being used in the chlor-alkali industry, include mercury, membrane cell and diaphragm cells. In India, membrane cell technologies are widely used for caustic soda production.

Most of the modern medicines today rely on chlor-alkali chemistry for part of their production process for which is likely to favour ancillary industries of chlor-alkali.

Chlor-Alkali industries are adopting upgraded membrane cell zero-gap technologies to reap benefits of lower power consumption per ton of caustic produced for ex: nX-BiTAC & BM2.7 generation VI electrolyzers. DNIL is also the leading service provider of anode and cathode elements used in these latest zero gap technology membrane cell electrolyzers. DNIL performs recoating and mechanical repairs to the anode and cathode half shells and retrofitting with zero gap solution to cathode structure used in the membrane cell technology of the chlor-alkali industry. The dynamics of the chlor-alkali industry has a considerable effect on the overall performance of the Company.



DNIL is the industry leader in technology and in this continuing challenging environment DNIL has made extra efforts to keep the cell technology competitive by reducing power consumption and is continuously redefining its business model to maintain margins and to best deliver value to its stakeholders by ensuring continuous improved productivity and good financial performance.

**OPPORTUNITIES AND THREATS**

The Goa factory is equipped with all the necessary equipment and facilities to meet the demands of the chlor-alkali industry. The Company continues to remain the market leader in the chlor-alkali and cathodic protection systems business. The main activity of the Company is dependent on recoating of electrodes for membrane cell electrolyzers in chlor-alkali plant, which is cyclic in nature because the life of the coating lasts for 6 to 8 years.

The income from recoating business contributes a major share in the Company’s total income. The mercury cell plants have gradually been converted to membrane cell plants. The Company does not get the business of anode/cathodes coating at this conversion stage since these are inbuilt in the new cells and the complete set of cell elements are imported by the customers. The Company is not in the business of manufacturing membrane cell elements and the recoating business in respect of these anode/cathodes will happen only after 8 years.

The chlor-alkali market in India is undergoing consolidation in recent past & entry of newer technology suppliers has put the Company in more challenging environment to continue to maintain its market share.

**SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

An annual turnover of ₹ 7,358.02 lakhs was registered by the Company during the year under review from the sale of its products.

(Amount ₹ in Lakhs)

Segment	2022-23	Contribution (%)	2021-22	Contribution (%)
Electrode Technologies	7,254.55	99%	6,883.43	93%
Water Technologies	103.47	1%	533.22	7%
<b>Total</b>	<b>7,358.02</b>	<b>100%</b>	<b>7,416.65</b>	<b>100%</b>

**OUTLOOK**

The Caustic Soda market in India remains in a long position, as capacity additions continue without interruption, in line with steady demand. Expected capacity growth of Caustic Soda Industry in Next five years (2021-22 to 2026-27) is estimated to be CAGR of 10.6%. (Source: Annual Industry review 2021-22 by AMAI).

The Company is looking forward to maintaining its position of market leader in membrane recoating activity and cathodic protection systems. DNIL is catering to mostly India and South East Asia region.

**RISKS & CONCERNS**

Risk management is embedded in all processes across the Company’s operating framework. The Company’s

approach to addressing business risks is comprehensive and includes a framework for identifying, monitoring, assessing, mitigating and reporting such risks. Risk Control Matrix has been prepared for all the key processes and business transactions. The Board and the Audit Committee periodically reviews the risk management framework and formulates strategies to mitigate those risks. The Senior Management team led by the Managing Director, is responsible to proactively manage risks with appropriate mitigation measures and implementation thereof.

Disruptive technology changes, drastic raw material price changes, potential supply chain disruptions, and regulatory changes have been identified as the some of the main sources of risk in the coming years. Moreover, longer supply chain distribution lead times, changes in import policy are likely to further affect the overall supply chain of critical raw materials required in production. Due to the sharp slowing down of major economies due to Russia-Ukraine war which is likely to have an impact on the earnings of the Company in short and medium term. Also, the Company’s operations may be impacted due to incapacitation of supply chain, logistics, reduced productivity due to suppliers’ inability to adhere to the contractual terms may impact the Company.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The responsibility for establishing and maintaining adequate internal control lies with the Management of the Company. This internal control mechanism comprises a well-defined organization, which undertakes time bound audits and reports its findings to the Audit Committee, documents policy guidelines and determines authority levels and processes. The Company also has an Internal Audit function to provide reasonable assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability of financial records and reports and compliance with applicable laws and regulations. To ensure and review the effectiveness and implementation of the systems and operations, the Audit Committee regularly reviews them, and further initiates corrective actions wherever deemed necessary.

The application systems for the business is backed by an integrated SAP Accounting System which provides complete integration of all transactions including financial transactions and statements. Processes and systems are subject to Internal Audit through an annual internal audit plan approved by the Audit Committee. These are further supported by the Statutory Auditors who validate that the financial reporting is true and fair. The results of all audits are discussed with the Senior Management and reviewed by the Audit Committee on a quarterly basis.

**FINANCIAL PERFORMANCE**

The financial results of operations of the Company for the year under review are detailed in the Directors’ Report. As per the same, the Company’s operations have resulted in a pre-tax profit of ₹ 2,715.30 lakhs for the current year as against ₹ 2,095.76 lakhs for the previous financial year. The post-tax profit for the current year is ₹ 2,027.60 lakhs whereas it stood at ₹ 1,545.04 lakhs for 2021-22.



The Earning per Share (EPS) (Basic & Diluted) of your Company for the financial year ended March 31, 2023, was at ₹ 38.19.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

Key Financial Ratios	FY 2022-23	FY 2021-22	Change (%)	Reason/ Explanation
Debtors Turnover Ratio	5.11	6.54	-22%	Realisation of current sales within credit limits contributing favourable to the receivables at the year end.
Inventory Turnover Ratio	1.00	1.39	-28%	Improvement in business volume resulting in better cost of sales.
Interest Coverage Ratio	-	-	-	Not applicable as company is debt free.
Current Ratio	7.61	7.06	8%	Investments in short term liquid assets
Debt Equity Ratio	-	-	-	Not applicable as company is debt free.
Return on Net Worth (%)	20%	19%	5%	Increase in profit on account of improvement in margin on revenue.
Operating Profit Margin (%)	37%	29%	28%	
Net Profit Margin (%)	28%	21%	33%	

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

We are pleased to announce that Group De Nora is celebrating 100<sup>th</sup> anniversary and has planned many activities during the year to mark the milestone. To commemorate the occasion a book was also released, De Nora - Stories from a Century of Life. It tells the story of our 100-year race towards the future, highlighting our unwavering dedication to innovation and sustainability. The book is now available in bookstores worldwide and online.

Safety and health at the workplace is the number one priority for your company. This year too, we celebrated the National Safety week held between 4<sup>th</sup> to 10<sup>th</sup> March, by organizing a poster making competition. The theme of the competition was Safety at work. The competition received huge response and many beautiful posters were conceived. Further, the Company has implemented many best practices across the plant to reduce mishaps and ensure a safe workplace. We also celebrated the World Day for Safety and Health at Work on 28<sup>th</sup> April by distributing Safety booklets to all our employees.

**International Women's Day:** Your Company believes in a world free from stereotypes and discrimination. Gender equality is crucial for cultural, social, economic, and political progress. Your Company is committed to promoting inclusivity and diversity by embracing our unique identities and working towards a more equitable future. Your Company empowers women to achieve their full potential and create a world where equality is a reality for all. Your

Company celebrated the International Women's Day with the theme **Embrace Equity** to work towards a fair and just world for everyone.

**Innovation Awards:** Industrie De Nora globally awards the three locations which contributed the most Innovative ideas under the Innovation Governance policy. Your Company, De Nora India was awarded the 3<sup>rd</sup> most Innovative location. A celebration event combined with team building activities was held for the workers and staff.

As on March 31, 2023, there were 49 permanent employees on the rolls of the Company.

**Employee & Industrial Relations**

Your Company maintained cordial and harmonious relationship with all the employees. Any issues that arose were amicably settled through regular and healthy discussions with the workmen. There was no occurrence of any untoward incident in the Company during the year. Your Company has also encouraged wholehearted participation of the employees and union in improving productivity as well as quality of its products. Ensuring high productivity, employee satisfaction and persistent motivation are the key focus areas of the HR team.

**KMPs/Senior Management Personnel & Other Staff**

As recommended by the Nomination and Remuneration Committee (NRC), the Board has adopted a Remuneration Policy for KMPs/Senior Management Personnel. The remuneration is recommended by the NRC based on factors such as industry benchmarks, the Company's performance vis-à-vis the industry, performance/track record of the KMPs/Senior Management Personnel.

The Remuneration paid to other staff is based on the grade, role and position in the Company, the experience, qualification, skills and competencies of the related employees. There exists a global Compensation System (CS), led by human resources, which is set with the aim of:

- being competitive to attract and retain talents on the local job markets where DNIL operates.
- paying fairly for accountability and on merit
- rewarding solid and outstanding performance, i.e. people results.

The objective is to ensure that the compensation motivates the employees to give their best performance.

**CAUTIONARY STATEMENT**

Statements in this 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates, expectations, plans or predictions or industry conditions or events are 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in government regulations, tax regimes, economic developments within the country and outside the country and other factors such as litigation and labour negotiations.



**Form No. AOC-2**

**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

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

**1. Details of contracts or arrangements or transactions not at arm's length basis -**

There were no contracts or arrangements, or transactions entered into during the financial year ended March 31, 2023, which were not on arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis -**

The details of material contracts or arrangements or transactions at arm's length basis for the financial year ended March 31, 2023, are as follows:

Sr. No.	Name of the related party & Nature of relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of Contracts/ arrangements/ transactions	Salient terms of Contracts/ arrangements/ transactions	Date of approval by the Board, if any	Amount paid as advance (₹ in Lakhs)
1.	De Nora Italy S.r.l., Italy (Subsidiary of Ultimate Holding Company)	Sale of goods / materials and services	892.40 Lakhs	Financial year 2022-23	The related party transaction (RPT) entered during the year was in the ordinary course of business and on arm's length basis. The RPT is also subject to transfer pricing guidelines.	All RPTs are reviewed and approved by Board and Audit Committee from time to time.  Pursuant to the provisions of the Listing Regulations, the Members of the Company have approved the Material RPT with De Nora Italy S.r.l., Italy up to a maximum aggregate value of ₹ 4,000 Lakhs (Rupees Four Thousand Lakhs) during the financial year 2022-23 by passing an Ordinary Resolution through Postal Ballot on May 15, 2022	Nil

**For and on behalf of the Board of Directors  
De Nora India Limited**

**Vinay Chopra**  
Managing Director  
DIN: 06543610

**Purushottam S. Mantri**  
Director  
DIN: 06785989

Place: Kundaim, Goa  
Date: July 28, 2023



**Annexure-III**

**Information 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. **Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the Financial Year 2022-23 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year 2022-23**

Median remuneration of all the employees of the Company for the financial year	₹ 6.26 Lakhs
Percentage increase in the median remuneration of employees in the financial year	4.68%
Number of permanent employees on the rolls of the Company as on March 31, 2023	49

Sr. No.	Name of Director	Designation	Remuneration (₹ in Lakhs)	Ratio of Directors remuneration to median remuneration	% Increase in the remuneration in the FY 2022-23
<b>I Executive Director</b>					
1.	Mr. Vinay Chopra	Managing Director	83.39	13.34:1	94.90%
<b>II Non-Executive Directors</b>					
1.	Mr. Robert Scannell	Non – Executive Director	-	NA <sup>#</sup>	-
2.	Mr. Francesco L'Abbate	Non – Executive Director	-	NA <sup>#</sup>	-
3.	Mr. Satish Dhume	Independent Director	-	NA <sup>#</sup>	-
4.	Ms. Supriya Banerji	Independent Director	-	NA <sup>#</sup>	-
5.	Mr. Purushottam S. Mantri	Independent Director	-	NA <sup>#</sup>	-
<b>III Key Managerial Personnel</b>					
1.	Mr. Deepak Nagvekar	Chief Financial Officer	44.73	-	31.21 %
2.	Mr. Shrikant Pai	Company Secretary	10.45	-	13.83 %

<sup>#</sup> The Independent Directors and the Non-Executive Directors do not receive any remuneration except sitting fees for attending Board/Committee Meetings.

2. **Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

Average percentile increase made in the salaries of employees other than Managerial personnel in the last financial year i.e. 2022-23 was 11%. Factors such as Indian inflation, prevailing market rates and performance of the Company were considered while considering remuneration.

3. **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

**For and on behalf of the Board of Directors  
De Nora India Limited**

**Vinay Chopra**  
Managing Director  
DIN: 06543610

**Purushottam S. Mantri**  
Director  
DIN: 06785989

Place: Kundaim, Goa  
Date: July 28, 2023



**ANNUAL REPORT ON CSR ACTIVITIES**

**1. Brief outline on CSR Policy of the Company**

De Nora India Limited strives to be a socially responsible Company and strongly believes in development which is beneficial to the society at large. As a corporate citizen, it is our co- extensive responsibility to commit effort and resource towards supporting the cause of disadvantaged and underprivileged people especially children by providing basic amenities for education, healthcare, skill development and to keep the environment clean and safe for society. It is the Company's intent to make a positive contribution to the society in which the Company exists and operates.

The objective of the Company's CSR policy is to set guiding principles for carrying out CSR activities by the Company and to set up the process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Supriya Banerji	Chairperson and Non-Executive Independent Director	2	1
2	Mr. Robert Scannell	Non-Executive Director	2	1
3	Mr. Vinay Chopra	Managing Director	2	2

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.**

Composition of CSR Committee, CSR policy and CSR projects approved by the Board of Directors is available on our website at: <https://india.denora.com/company/shareholder-information.html>.

**4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable**

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹1,293.61 Lakhs  
(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 25.87 Lakhs  
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
(d) Amount required to be set off for the financial year, if any: NIL  
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 25.87 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 25.88 Lakhs  
(b) Amount spent in Administrative Overheads: NIL  
(c) Amount spent on Impact Assessment, if applicable: Not Applicable  
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 25.88 Lakhs



(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135			Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 25.88 Lakhs	NIL	-	-	NIL	-

(f) Excess amount for set-off, if any: **Not Applicable**

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **NIL**
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: **Not Applicable**

**For De Nora India Limited**

**Vinay Chopra**  
Managing Director  
DIN: 06543610

**Supriya Banerji**  
Non-Executive, Independent Director  
(Chairperson, CSR Committee)  
DIN: 05209284

Place: Kundaim, Goa  
Date: July 28, 2023





**ANNEXURE TO THE BOARDS' REPORT**

**FORM NO. MR- 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023.**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
De Nora India Limited  
Plot Nos. 184, 185 & 189,  
Kundaim Industrial Estate,  
Kundaim, Goa - 403 115.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DE NORA INDIA LIMITED**, (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **DE NORA INDIA LIMITED'S** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; .....**Not applicable to the Company during the period under review.**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; ..... **Not applicable to the company during the period under review**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; .....**Not applicable to the Company during the period under review.**
  - (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, 2021; .....**Not applicable to the Company during the period under review.**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; .....**Not applicable to the Company during the period under review.**



The following other Laws applicable specifically to the Company are:

1. Factories Act, 1948 and the Rules made thereunder.
2. The Environment (Protection) Act, 1986 & the Rules made thereunder;
3. The Water (Prevention and Control of Pollution) Act, 1974 and the Rules made thereunder
4. The Air (Prevention and Control of Pollution) Act, 1981 and the Rules made thereunder;
5. Legal Metrology Act, 2009 and the Rules made thereunder;

**I further report that**, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of yearly compliance report by the respective departmental heads / Company Secretary / Internal Auditor, taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws and other legislations.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligation 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. mentioned above.

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

**I 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.

**I further report that** during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: July 28, 2023  
Place : Porvorim- Goa

**Rakhee Raghunath Malkarnekar**  
Practicing Company Secretary  
Mem No. A56859 C P No.: 21439  
UDIN : A056859E000693121  
P/R: 1596/2021



**CORPORATE GOVERNANCE REPORT**

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”) for the Financial Year ended 31<sup>st</sup> March 2023 is given herein below:

**1. Company’s Philosophy on Corporate Governance**

Your Company is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. The Company identifies integrity, transparency, accountability and compliance with regulations in all dealings with government, customers, suppliers, employees and other stakeholders as the objectives of good corporate governance. It is Company’s constant endeavor to adopt best management practices and adhere to the highest ethical principles in all its dealings to achieve the objectives of the Company, enhance stakeholder value and discharge its social responsibility.

The Board of Directors and the Committees of the Board play a fundamental role in upholding and furthering the principals of good governance which translates into ethical business practices, transparency, integrity and accountability in the Company’s dealing with its stakeholders and in the utilization of resources for creating sustainable growth to the benefit of all the stakeholders. Your Company believes that good governance is the foundation for increased operational efficiencies and sustained long term value creation for all stakeholders.

**2. Board of Directors**

The Board of Directors of the Company is duly constituted and comprises of optimum combination of Executive and Non-Executive Directors, who are experienced, competent and highly renowned persons from the fields of manufacturing, finance, taxation, law, governance etc. The Board plays an imperative role in the management, general affairs, strategic directions and performance of the Company. The Board has delegated the operational conduct of the business to the Managing Director of the Company who looks after the day-to-day affairs of the Company.

The Company has an active, diverse and well-informed Board with optimum mix of Directors who possess the requisite qualifications, experience and knowledge which enables them to discharge their responsibilities and enhance the quality of the Board’s decision-making process.

**2.1 Board Composition, Category of the Directors, Number of other Board of Directors or Committee in which Director is a Member or Chairperson, attendance at the Board Meeting and the last Annual General Meeting**

As on March 31, 2023, the Board comprises of 6 (six) Directors viz. Managing Director and 5 (five) Non-Executive Directors out of which 3 are Independent Directors of whom 1(one) is Women Independent Director. The number of Independent Directors is more than One Third of the total number of Directors. The composition of Company’s Board is in conformity with the Companies Act, 2013 (“Act”) and Listing Regulations.

The necessary disclosures regarding directorships, memberships and chairmanships in various other Boards and Committees and shareholding in the Company have been made by all the Directors.

The composition of the Board of Directors as on March 31, 2023, the number of other directorships, the number of other committees of which a Director is a Member/Chairperson and the attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name and Category of the Director	No. of Board Meetings attended during the FY 2022-23	Attendance at the last AGM held in 2022	No. of Directorship in other Companies <sup>#</sup>	No. of Committee positions held in other companies <sup>§</sup>	
				Member	Chairperson
Mr. Satish Dhume (Chairman and Non-Executive Independent Director)	5 of 5	Yes	-	-	-
Mr. Vinay Chopra (Managing Director)	5 of 5	Yes	-	-	-
Ms. Supriya Banerji (Non-Executive Independent Director)	3 of 5	Yes	-	-	-
Mr. Purushottam Mantri (Non-Executive Independent Director)	5 of 5	Yes	1	1	-
Mr. Robert Scannell (Non-Executive Director)	3 of 5	No	-	-	-
Mr. Francesco L’Abbate (Non-Executive Director)	2 of 5	No	-	-	-

<sup>#</sup> Excludes directorships held in private limited companies, foreign companies and section 8 companies.

<sup>§</sup> Includes only two committee’s viz. Audit Committee and Stakeholders’ Relationship Committee of Indian Public Limited Companies whether listed or not.



None of the Directors on the Board of the Company is a Director in more than 20 Companies or 10 Public limited Companies as specified in Section 165 of the Act. None of the Directors of the Company is serving as Director or Independent Director in more than 7 listed entities. The Managing Director of the Company is not serving as an Independent Director on the Board of any other listed Company. None of the Directors of the Company is a member of more than ten committees nor is a Chairperson of more than five committees across all Public Limited companies, whether listed or not, in which he/she is a Director. Only audit committee and stakeholders' relationship committee are considered for the purpose of reckoning committee positions as specified in Regulation 26(1)(b) of Listing Regulations.

**2.2 Names of the other listed entities where the Directors of your Company are the Directors as on FY ended March 31, 2023**

Name of the Director	Other listed entities where the person is Director and the category of directorship
Mr. Purushottam S. Mantri	Southern Gas Limited (Non-executive Independent Director)

None of the other Directors of the Company hold any directorship in any other listed entity. Above details are as required under Para C(2) of Schedule V to the Listing Regulations, based on the latest disclosures received by the Company, as on March 31, 2023.

**2.3 Meeting of Board of Directors**

The Notices of Board / Committee Meetings is given well in advance to all the Directors. Agenda papers containing all necessary information / documents are made available to the Board / Committees to enable the Board / Committees to discharge its responsibilities effectively and take informed decisions. Where it was not practicable to attach or send the relevant information as a part of agenda papers, the same are tabled at the meeting or/and the representations are made by the concerned managers to the Board, subject to compliance with legal requirements. The information as specified in Schedule II of the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration.

5 (five) Board meetings were held during the financial year ended March 31, 2023 on April 05, 2022, April 29, 2022, July 27, 2022, October 21, 2022, and January 27, 2023. The time gap between two consecutive Board meetings did not exceed 120 days.

**2.4 Skills/ Expertise/ Competence of the Board of Directors**

The Board has identified the core skills / expertise / competencies that are desirable for the Company to function effectively in the context of the business of the Company. The Board of Directors of the Company comprises of qualified members in terms of skills, knowledge, experience, personal attributes etc. who contribute and guide the Management towards the effective functioning of the Company. These core skills / expertise / competencies are actually available with the Board in the following manner:

Name of Director	Skills/Expertise/Competence
Mr. Satish Dhume, Chairman cum Independent Director	Finance, Audit, Internal control, Risk Management, Corporate Governance and Professional experience
Mr. Vinay Chopra, Managing Director	Corporate Strategy, Governance, Policy decision, Technical expertise, Industry experience and Risk Management
Mr. Robert Scannell, Non-Executive Director	Policy Decisions, Technical expertise and Industry experience
Mr. Purushottam S. Mantri, Independent Director	Legal, Finance, Regulatory knowledge, professional experience and Corporate Governance
Ms. Supriya Banerji, Independent Director	Policy Decisions, Corporate Governance Stakeholders Management and Strategic thinking
Mr. Francesco L'Abbate, Non-Executive Director	Finance, Audit, Internal control and Industry Experience

**2.5 Independent Directors**

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of Listing Regulations and Section 149(6) of the Act. On the basis of declarations received from Independent Directors, the Board is of the opinion that each of them fulfils the prescribed independence criteria stipulated under the Act and Listing Regulations and that they are independent from the management of the Company. None of the Independent Directors of the Company have resigned during the year under review before the expiry of his/ her tenure.

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors of the Company shall hold at least one Meeting in a year without attendance of Non-Independent Directors and Members of the Management. Accordingly,



Independent Directors of your Company met on April 05, 2022 to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors were present for the Meeting.

### 2.6 Familiarization of Independent Directors

In order to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. a familiarization programme has been adopted and implemented by the Company.

The details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company <https://india.denora.com/investors/shareholder-information.html>.

2.7 There is no inter-se relationship between any of the Directors of the Company. None of the Directors held any shares in the Company during the year under review.

## 3. Committees of the Board

The Board of Directors has constituted the following Committees of Directors with adequate delegation of powers to discharge the Company's requisite business:

### 3.1 Audit Committee

The Audit Committee is constituted and functions in accordance with Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee, inter alia, include:

- Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- reviewing and examining with the Management the quarterly and annual financial statement and the auditors' report thereon before submission to the Board for approval.

- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company.
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval of payment for any other services.
- reviewing about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
- reviewing with Management, Statutory Auditors and Internal Auditors, the adequacy of internal control systems.
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues.
- evaluating internal financial controls and risk management systems.
- reviewing the functioning of the Whistle Blowing mechanism of the Company.
- Any other responsibility/duty as may be prescribed under the Companies Act, 2013 and/or the provisions of the SEBI Regulations.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

During the year under review, 5 (Five) Audit Committee Meetings were held on April 05, 2022, April 29, 2022, July 27, 2022, October 21, 2022, and January 27, 2023. The time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days. The necessary quorum was present at the above Meetings. All the Members of the Audit Committee are financially literate.



The composition of the Audit Committee and the attendance of members at the meetings held during the financial year ended March 31, 2023, are as follows:

<b>Names of Committee Members</b>	<b>Category</b>	<b>No. of meetings attended</b>
Mr. Satish Dhume, Chairperson	Independent Director	5 of 5
Mr. Robert Scannell	Non-Executive Director	3 of 5
Mr. Purushottam S. Mantri	Independent Director	5 of 5

The meetings of Audit Committee are usually attended by the Managing Director, the Chief Financial Officer as well as the representatives of the Internal and Statutory Auditors of the Company. The Company Secretary is the Secretary of the Audit Committee. The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee. Mr. Satish Dhume, Chairperson of the Audit Committee, was present at the AGM of the Company held on September 28, 2022.

### **3.2 Nomination & Remuneration Committee ('NRC')**

The Nomination and Remuneration Committee comprises of 3 (three) members, all being Non-Executive Directors and majority being Independent Directors. The Committee is constituted in terms of the requirements of Section 178 of the Act and Rules framed thereunder read with Regulation 19 of the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee covers all the areas mentioned under Section 178 of the Act and Regulation 19 read with Part D of Schedule-II of the Listing Regulations. The broad terms of reference of the Committee include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- formulation of criteria for evaluation of performance of independent directors and the board of directors.
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

The Committee met 2 (two) times during the year under review on April 05, 2022, and July 27, 2022. The Company Secretary is the Secretary to the Committee.

The composition of the Committee and the attendance of members at the meetings held during the financial year ended March 31, 2023, are as follows:

<b>Names of Committee Members</b>	<b>Category</b>	<b>No. of meetings attended</b>
Ms. Supriya Banerji, Chairperson	Independent Director	2 of 2
Mr. Robert Scannell	Non-Executive Director	1 of 2
Mr. Purushottam S. Mantri	Independent Director	2 of 2

The Board has adopted the Policy on Board Diversity and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which are available on the Company's website viz. [india.denora.com](http://india.denora.com). Ms. Supriya Banerji, Chairperson of the NRC, was present at the AGM of the Company held on September 28, 2022.

### **3.3 Stakeholder's Relationship Committee ('SRC')**

The Stakeholders' Relationship Committee comprises of 3 (three) members. The Committee is constituted in terms of the requirements of Section 178 of the Act and Rules framed thereunder read with Regulation 20 of the Listing Regulations.

The terms of reference of the Committee include resolving grievances of shareholders including complaints relating to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends declared,



etc. The Committee also reviews the measures taken for effective exercise of voting rights by shareholders, adherence to the service standards adopted by the Company in relation to various services rendered by the Registrar & Share Transfer Agent, etc.

During the financial year ended March 31, 2023, 2 (Two) SRC meetings were held on April 29, 2022, and October 21, 2022. The Company Secretary is the Secretary to the Committee and is the Compliance Officer of the Company, pursuant to the requirements of the Listing Regulations.

The composition of the Stakeholder's Relationship Committee and the attendance of members at the meetings held during the financial year ended March 31, 2023, are as follows:

Names of Committee Members	Category	No. of meetings attended
Mr. Purushottam S. Mantri, Chairperson	Independent Director	2 of 2
Mr. Vinay Chopra	Managing Director	2 of 2
Mr. Satish Dhume	Independent Director	2 of 2

Mr. Purushottam Mantri, Chairperson of the SRC, was present at the AGM of the Company held on September 28, 2022.

#### Details of Shareholders' Complaints/requests

The Company and the Registrar and Transfer Agent of the Company, M/s. Bigshare Services Private Limited attends to all the grievances of the Shareholders. During the financial year ended March 31, 2023, 59 grievances/requests were received and resolved to the satisfaction of the Shareholders.

The investor's complaints are also being processed through SEBI Complaint Redress System (SCORES), the centralized web-based complaint redressal system. Through SCORES, the investors can view online, the actions taken and current status of the complaints. No shareholder complaints were lying unresolved as on March 31, 2023, under SEBI Complaints Redress System - 'SCORES'.

The details of complaints received, cleared / pending during the Financial Year 2022-23 are given below:

Nature of Complaints	Received	Cleared	Pending
Letters from SEBI / SCORES Site	4	4	0
Letters from Stock Exchanges	0	0	0
Letters from Depositories	0	0	0
Letters from Ministry of Corporate Affairs	0	0	0

### 3.4 Corporate Social Responsibility ('CSR') Committee

The role of the CSR Committee includes to formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company in areas specified in Schedule VII of the Act, to review and recommend the amount of expenditure to be incurred on CSR activities of the Company, to monitor the CSR policy and activities undertaken etc. The Company Secretary acts as the Secretary to the Committee.

During the financial year ended March 31, 2023, 2 (Two) meetings of the Committee were held on April 29, 2022 and October 21, 2022.

The composition of the Corporate Social Responsibility Committee and the attendance of members at the meetings held during the year ended March 31, 2023, are as follows:

Names of Committee Members	Category	No. of meetings attended
Ms. Supriya Banerji, Chairperson	Independent Director	1 of 2
Mr. Vinay Chopra	Managing Director	2 of 2
Mr. Robert Scannell	Non-Executive Director	1 of 2

Ms. Supriya Banerji, Chairperson of the CSR Committee, was present at the AGM of the Company held on September 28, 2022.



#### 4. Remuneration to Directors

4.1 None of the Non-Executive Directors had any pecuniary relationship or transaction with the Company other than the Director's sitting fees received by them and re-imbursement of expenses incurred by them while performing their role as Non-Executive Director, during the year under review.

#### 4.2 Criteria of Payments to Non-Executive Directors

The Non-Executive Directors including Independent Directors are entitled to sitting fees for attending the Board and Committee meetings in addition to reimbursement of expenses incurred for attending the Board and Committee Meetings. The Non-Executive Directors / Independent Directors are not paid any commission on the Net Profits of the Company.

#### 4.3 Disclosures of Remuneration of Directors

(a) **Details of remuneration paid to each of the Directors during the year under review are as below:**

Amount (₹) in lakhs

Name of the Director	Salary & Allowances	Perquisites & Benefits	Retirement Benefits	Performance linked Incentive	Sitting fees	Total
Mr. Vinay Chopra	30.34	2.26	4.59	46.20	-	83.39
Mr. Satish Dhume	-	-	-	-	0.60	0.60
Mr. Francesco L'Abbate	-	-	-	-	0.10	0.10
Mr. Robert Scannell	-	-	-	-	0.40	0.40
Ms. Supriya Banerji	-	-	-	-	0.30	0.30
Mr. Purushottam S. Mantri	-	-	-	-	0.70	0.70

(b) **Details of fixed component and performance linked incentives**

Mr. Vinay Chopra, Managing Director is the only Executive Director in the Company. The remuneration paid to Managing Director is as per the approval of Shareholders obtained in the 33<sup>rd</sup> Annual General Meeting of the Company which are in line with the statutory requirements and Company's policies. The Managing Director is also entitled to benefits such as Company car and driver, telephone at home, mobile & internet connectivity, medical reimbursement etc. as per the Company's Policy. The Board may at its absolute discretion, based on the recommendation of the Nomination and Remuneration Committee and review of individual performance as well as the performance of the company for the relevant year, determines the performance linked incentives and increments to be paid to Managing Director subject to the overall ceilings stipulated in Schedule V and other applicable provisions the Act read with Rules made thereunder.

(c) **Service contracts, notice period & severance fees**

During the year under review Mr. Vinay Chopra was re-appointed as Managing Director of the Company for a term of three years from July 16, 2022 to July 15, 2025. The resolution approved by the Members of the Company covers the terms and conditions of such appointment. The notice period for the Managing Director is of three months. No severance fee is payable to the Managing Director.

Non-executive Directors (except Independent Directors) are liable to retire by rotation at the AGM and are eligible for re-appointment. The Independent Directors are appointed for a period of 5 years by the Members of the Company at the General Meetings. The Company has issued a formal letter of appointment to the Independent Directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the Company.

(d) **Stock option details**

The Company does not have any Stock Options Scheme.

#### 4.4 Remuneration Policy

The Board had adopted a Nomination cum Remuneration Policy in accordance with Section 178 of the Companies Act, 2013, the Rules made there under and the provisions of Regulation 19 of the Listing Regulations. The Policy provides for criteria and qualifications for appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel, remuneration to them, Board diversity etc. The policy has been amended





from time to time to align it in requirement with the provisions of applicable laws, rules and regulations. The Nomination cum Remuneration Policy is available on the website of the Company: <https://india.denora.com/investors/shareholder-information.html>.

**4.5 Performance evaluation criteria for Independent Directors**

In line with the provisions of the Act and Listing Regulations, the Performance evaluation of the Independent Directors, during the financial year 2022-23 was carried out by the entire Board, except the Independent Directors being evaluated as per the criteria laid down by the Nomination and Remuneration Committee. The procedure followed along with the criteria for performance evaluation are detailed in the Board’s Report.

**5. General Body Meetings**

**5.1 Details of last three Annual General Meetings held:**

Financial Year ended	AGM	Day, date & time	Location	Special resolutions passed
March 31, 2020	31 <sup>st</sup>	Wednesday, September 23, 2020, at 11.00 a.m.	Held through Video conference / other Audio-visual means	None
March 31, 2021	32 <sup>nd</sup>	Thursday, September 23, 2021, at 11.00 a.m.	Held through Video conference / other Audio-visual means	
March 31, 2022	33 <sup>rd</sup>	Wednesday, September 28, 2022, at 11.00 a.m.	Plot Nos.184, 185 & 189, Kundaim Industrial Estate, Kundaim Goa 403115	

5.2 No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2023.

**5.3 Resolutions passed through Postal Ballot during the Financial year 2022-23:**

No Special Resolution was passed through Postal Ballot during the financial year 2022-23.

During the year, the Company had sought approval of shareholders on the following resolutions through Postal Ballot Notice dated April 5, 2022, in compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and the General Circular nos. 14/2020, 17/2020, 02/2021 and 21/2021 dated April 8, 2020, April 13, 2020, January 13, 2021 and December 14, 2021 respectively issued by the Ministry of Corporate Affairs.

- a. Approval of Material Related Party Transactions with De Nora Italy S.r.l., Italy – Ordinary Resolution
- b. Re-appointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director and payment of remuneration to him - Ordinary Resolution

The Company engaged the services of Central Depository Services (India) Limited (“CDSL”) for the purpose of providing electronic voting facility to all its members. Mr. Umesh P Maskeri, Practicing Company Secretary (COP No. 12704) was appointed as the Scrutinizer for conducting postal ballot in a fair and transparent manner.

The Postal Ballot Notice was sent through electronic mode to those Members at their e-mail addresses registered with the Company/ Depositories. The notice of postal ballot was accompanied with detailed instructions to enable the Members to understand the procedure and manner in which postal ballot by remote e-voting was to be carried out. The newspapers publications were also made in accordance with the requirements under the Companies Act, 2013. The voting period for remote e-voting commenced on Saturday, April 16, 2022 at 9.00 a.m. (IST) and ended on Sunday, May 15, 2022 at 5.00 p.m. (IST).

The Resolution was duly passed with requisite majority on the last date for e-voting and receipt of Postal Ballot forms i.e., on May 15, 2022. The Results of the Postal ballot including the Scrutinizer’s Report was displayed on the website of the Company, CDSL and communicated to stock exchanges.



Details of voting pattern of the said Postal ballot is as below.

Sr. No.	Particulars	No. & % of votes received	No. & % of votes in favour	No. & % of votes against	Details of invalid votes
1.	Approval of Material Related Party Transactions with De Nora Italy S.r.l., Italy	87614	87614	NIL	NIL
2	Reappointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director and payment of Remuneration to him	2937114	2937053	61	NIL

## 6. Means of Communication

During the year the quarterly, half-yearly and yearly financial extract results were published in the 'Business Standard' (English newspaper) and in 'Tarun Bharat' (Marathi newspaper) within prescribed timelines and are also posted on the Company's website [india.denora.com](http://india.denora.com).

The Annual Reports are emailed to Members and others entitled to receive them. It is also available on the Company's website in a user-friendly and downloadable form.

In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of National Stock Exchange of India Limited and BSE Limited. The Company submits to National Stock Exchange of India Limited and also to BSE Limited all disclosures/intimations, price sensitive information or such other matters which in its opinion are material and of relevance to the Members.

**Designated email-id:** The Company has also designated email ID: [dni.secretarial@denora.com](mailto:dni.secretarial@denora.com) exclusively for investor servicing.

**Company Website:** Comprehensive information about the Company, its business and operations, press releases and investor information can be viewed at the Company's website [india.denora.com](http://india.denora.com). An exclusive section on 'Investors' enables them to access information relating to the Company.

## 7. General Shareholder Information

7.1	Corporate Identification Number (CIN) of the Company	L31200GA1993PLC001335
7.2	Registered Office & Plant location	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115
7.3	Financial Year reported	April 1, 2022 to March 31, 2023
7.3	Date, time and Venue of Annual General Meeting	Tuesday, September 12, 2023, at 11.00 a.m. (IST) at the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115
7.4	Date of Book Closure	September 06, 2023 (Wednesday) to September 12, 2023 (Tuesday) (both days inclusive)
7.5	Dividend Payment Date (subject to approval of shareholders)	On or after September 28, 2023
7.6	Name & Address of Stock Exchange at which Shares are listed	National Stock Exchange of India Ltd. Exchange Plaza, 5 <sup>th</sup> floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai- 400051
7.7	Stock Code	DENORA EQ
7.8	ISIN	INE244A01016
7.9	Payment of Listing Fees	The Annual listing fees for the financial year 2023-24 has been paid to the above Stock Exchange.
7.10	Details of securities suspended	None



7.11	Registrar and Share Transfer Agent	M/s. Bigshare Services Private Limited, Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 Ph. No.: 022 62638200/62638204 Fax No.: 022 62638299 Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
7.12	Outstanding GDRs/Warrants/ADRs/ Convertible Instruments, conversion dates and likely impact on equity	None
7.13	Commodity Price Risk or Foreign Exchange Risk & Hedging Activities	Nil
7.14	Details of Compliance Officer	Mr. Shrikant Pai, Company Secretary Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115 Tel. No. 0832 6731100; Email: <a href="mailto:shrikant.pai@denora.com">shrikant.pai@denora.com</a>
7.15	E-mail id designated by the Company for Investor Complaints	<a href="mailto:dni.secretarial@denora.com">dni.secretarial@denora.com</a>
7.16	Credit Ratings for debt instruments / fixed deposit scheme / any other scheme or proposal	Not applicable

#### 7.17 Address for correspondence

Shareholders' correspondence should be addressed to Bigshare Services Private Limited, Registrar & Share Transfer Agents or to the Company at the following respective addresses.

<b>Registrar and Share Transfer Agent:</b> M/s. Bigshare Services Private Limited Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai 400093. Ph. No.: 022-62638200/ 62638204	<b>Registered office of the Company:</b> De Nora India Limited Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim – Goa. Ph. No.: 0832-6731100
---	--

For all the matters relating to transfer, transmission, transposition, deletion of name, dematerialization of shares, payment of dividend, updation of KYC details etc. or any other query relating to equity Shares of the Company, Shareholders are requested to directly contact the Registrars and Share Transfer Agents of the Company at the address given above.

#### 7.18 Share Transfer System

SEBI has mandated that Securities of Listed Companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Further, SEBI has, vide its circular dated January 25, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation, transmission, etc. Therefore, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form by applying to their respective Depository Participants (DPs).

The Board has delegated the powers relating to share transfers to a committee comprising of the Executive Director and Chief Financial Officer. The Share Transfer Committee meets at regular intervals to accelerate the approval process relating to share transfers, transmission, name deletion, issue of duplicate share certificates, split, consolidation, etc. as per the request received which are noted at the subsequent Board Meeting.

Transfer of shares held in dematerialized form are done through the depositories with no involvement of the Company. For queries relating to transfer of Shares held in dematerialized form Members should address correspondence to their respective Depository Participants (DPs).

The Company obtains certificate from a Practicing Company Secretary on annual basis as per the requirement of Regulation 40(9) of the Listing Regulations and the same is filed with stock exchanges.



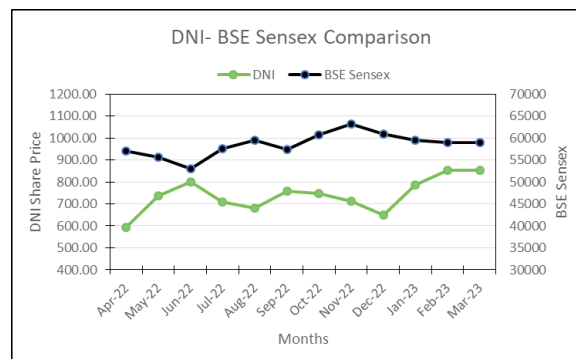
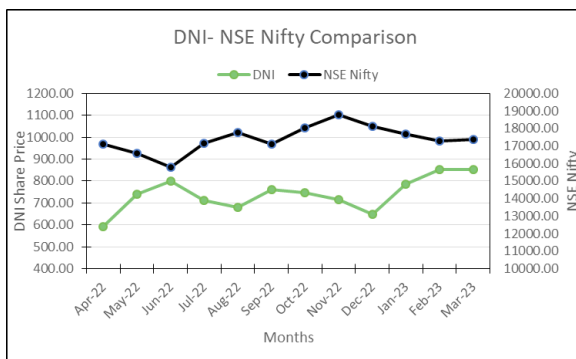
### 7.19 Market Price Data

Monthly high and low prices of equity shares of the Company at the National Stock Exchange of India Limited and BSE Limited during the financial year 2022-23 are as below.

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2022	635.00	404.90	634.25	407.60
May 2022	842.00	612.35	830.80	616.00
June 2022	888.00	598.35	884.25	602.35
July 2022	884.35	709.50	886.00	710.15
August 2022	734.80	644.00	740.00	643.00
September 2022	864.80	670.20	868.85	667.40
October 2022	987.00	725.00	988.00	723.00
November 2022	780.80	686.00	807.00	686.65
December 2022	748.95	586.10	748.10	590.05
January 2023	884.00	649.05	883.05	650.05
February 2023	934.15	766.90	988.00	769.85
March 2023	1024.00	821.30	1022.95	821.00

### 7.20 Share Price Performance in comparison to broad based indices – NSE NIFTY & BSE SENSEX

The chart below shows the comparison of the Company's monthly share price movement vis-à-vis the movement of the BSE Sensex and NSE Nifty for the financial year ended 31<sup>st</sup> March 2023 (based on the month end closing):



### 7.21 Distribution of Shareholding as on March 31, 2023

Range of holding	Number of shares				Number of Shareholders			
	Physical	Demat	Total	%	Physical	Demat	Total	%
1-500	59090	634290	693380	13.0614	532	8466	8998	93.8661
501-1000	4455	236129	240584	4.5319	6	309	315	3.2860
1001-5000	5000	445417	450417	8.4846	2	216	218	2.2741
5001-10000	0	208217	208217	3.9222	0	29	29	0.3025
10001-50000	0	536145	536145	10.0995	0	20	20	0.2086
50001 & above	0	3179891	3179891	59.9004	0	6	6	0.0626



## 7.22 Dematerialisation of Shares and Liquidity as on March 31, 2023

Particulars of shares	Shareholders		Shares of ₹ 10 each	
	Number	% of total	Number	% of total
NSDL	3918	40.87	4288361	80.78
CDSL	5128	53.49	951728	17.93
<b>Sub-Total</b>	<b>9046</b>	<b>94.36</b>	<b>5240089</b>	<b>98.71</b>
Physical form	540	5.64	68545	1.29
<b>Total</b>	<b>9586</b>	<b>100</b>	<b>5308634</b>	<b>100</b>

## 7.23 Shareholding Pattern as on March 31, 2023

Particulars	Equity shares of ₹ 10 each	
	No. of Shares	%
Promoters (including Promoter Group)	28,49,500	53.68
Clearing Members	13,550	0.26
Corporate Bodies	1,14,154	2.15
Trusts	155	0.00
Resident Individuals & HUF	21,37,785	40.27
Foreign Portfolio Investors – Corporate	29,704	0.56
Non-Resident Indians	1,11,180	2.09
IEPF A/c	52,606	0.99
<b>Total</b>	<b>53,08,634</b>	<b>100</b>

## 8. Other Disclosures

### 8.1 Related Party Transactions / Materially significant related party transactions

During the year under review, the Company has not entered into any materially significant related party transaction with the Promoters, Directors, Key Managerial Personnel or Senior Management or relatives, subsidiaries, etc. that may have a potential conflict with the interests of the Company at large.

All related party transactions are entered with prior approval of the Audit Committee. All the transactions with related parties were entered into at arm's length and in the ordinary course of business. Disclosure on related party transactions have been provided in notes to accounts annexed to the financial statements.

The Company has formulated a policy on materiality and dealing with related party transactions in compliance with the Act and SEBI Listing Regulations. The policy has been uploaded on the website of the company and can be accessed at <https://india.denora.com/investors/shareholder-information.html>.

### 8.2 Statutory Compliance, Penalties and Strictures relating to Capital Markets:

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.

### 8.3 Whistle Blower Policy / Vigil Mechanism

The Company has adopted a Whistle Blower Policy and has established the vigil mechanism in line with the requirements under the Act and SEBI Listing Regulations for employees and Directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The policy provides adequate safeguards against victimization to all whistleblowers who use such mechanism. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Audit Committee.



#### 8.4 Compliance with mandatory requirements and adoption of the non-mandatory requirements

All mandatory requirements prescribed in the Listing Regulations have been complied with by the Company.

The status of compliance with the non-mandatory (Discretionary) requirements, as stated under Part E of Schedule-II to the Listing Regulations is as under:

- **The Board:** The Non-Executive Chairman does not maintain any office at the expense of the Company. The Company reimburses the expenses incurred by the non-executive Chairman in the performance of his duties.
- **Shareholders' rights:** The Quarterly, Half yearly and Annual financial results of the Company are intimated to Stock Exchanges, published in English and vernacular newspapers and are also posted on the website of the Company. Further, significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company. These are not sent individually to the Members.
- **Separate posts of Chairperson and Chief Executive Officer:** The Chairman of the Board, Mr. Satish Dhume is an Independent Director, and his position is separate from that of the Managing Director.
- **Audit qualifications:** The Statutory Auditors of the Company have issued Audit report with unmodified opinion on the financial statements of the Company for the year ended March 31, 2023.
- **Reporting of Internal auditor:** In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports submitted on quarterly basis are reviewed by the Audit Committee and suggestion / directions, if any, are given for necessary action.

#### 8.5 Details of material subsidiaries of the Company and Policy for Determining Material Subsidiaries

Your Company does not have any material subsidiary. The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI Listing Regulations. The Policy, as approved by the Board is uploaded on the Company's website at <https://india.denora.com/investors/shareholder-information.html>.

#### 8.6 Commodity price risks and commodity hedging activities:

The Company does not have material exposure of any commodity price risk and accordingly, no hedging activities for the same are carried out.

#### 8.7 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the year, the Company has not raised any money through public issue, right issue, preferential issue or qualified institutions placement.

#### 8.8 Certificate from PCS under sub-para 10(i) of Part C of Schedule V of the Listing Regulations

Certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed herewith as part of the report.

#### 8.9 Recommendation of the Committees

During the year under review there were no instances where the Board of Directors has not accepted the recommendations of Board Committees.

#### 8.10 Total fees paid to the Statutory auditors

The total fees paid by the Company to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part for all the services rendered for the financial year 2022-23 is as below.

Particulars	Amount (₹ in Lakhs)
Audit fees for statutory auditors	26.50
Tax audit	2.00
Re-imbursment of expenses	0.25
<b>Total</b>	<b>28.75</b>



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

The details of number of complaints filed, disposed off during the year and pending as on March 31, 2023, in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is provided in the Director's Report.

**8.12 Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:**

During the year under review, no loans or advances in the nature of loans were provided by the Company to its holding company or to firms/companies in which directors are interested.

**8.13 Code of Conduct for Prevention of Insider Trading**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prohibition of Insider Trading (Code) duly approved by the Board of Directors of the Company.

**8.14 Details of Demat Suspense Account / Unclaimed Suspense Account**

During the year under review, there were no shares in the Demat suspense account or unclaimed suspense account of the Company.

9. The Company has complied with all the requirements of the corporate governance report as specified in sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.
10. Disclosure of the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted are given in 8.4 of this report.
11. The Company has complied with the applicable corporate governance requirements as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations 2015.
12. The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws and regulations. All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended March 31, 2023. A declaration signed by the Managing Director to that effect is annexed herewith as part of this report.
13. Compliance Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed herewith as part of the report.

**For and on behalf of the Board of Directors  
De Nora India Limited**

Place: Kundaim, Goa  
Date: July 28, 2023

**Vinay Chopra**  
**Managing Director**  
**DIN: 06543610**

**Purushottam S. Mantri**  
**Director**  
**DIN: 06785989**



**PRACTICING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
De Nora India Limited  
Plot Nos. 184, 185 & 189,  
Kundaim Industrial Estate  
Kundaim, Goa - 403 110

I have examined the compliance of conditions of Corporate Governance by **DE NORA INDIA LIMITED** (the Company), for the financial year ended on **31<sup>st</sup> March, 2023**, as stipulated under the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors & the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Date: July 28, 2023  
Place : Porvorim- Goa

**Rakhee Raghunath Malkarnekar**  
Practicing Company Secretary  
ACS. 56859 C P No.: 21439  
UDIN : A056859E000693165  
P/R: 1596/2021





**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members,  
De Nora India Limited  
Plot Nos. 184, 185 & 189,  
Kundaim Industrial Estate  
Kundaim, Goa - 403 110

I, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DE NORA INDIA LIMITED** having CIN L31200GA1993PLC001335 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the Financial Year ended on 31st March, 2023.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status as appearing on the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company & its officers and agents, I, hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Vinay Chopra	06543610	May 09, 2013
2.	Robert Scannell	06818489	February 12, 2014
3.	Francesco L'Abbate	08063332	January 29, 2018
4.	Supriya Banerji	05209284	October 27, 2016
5.	Satish Ramchandra Dhume	00336564	March 30, 2019
6.	Purushottam Sitaram Mantri	06785989	February 05, 2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: July 28, 2023  
Place : Porvorim- Goa

**Rakhee Raghunath Malkarnekar**  
Practicing Company Secretary  
ACS. 56859 C P No.: 21439  
UDIN : A056859E000693154  
P/R: 1596/2021

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, for the financial year ended March 31, 2023.

**For De Nora India Limited**

Place: Kundaim, Goa  
Date: July 28, 2023

**Vinay Chopra**  
Managing Director  
DIN: 06543610



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of De Nora India Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of De Nora India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Revenue Recognition**

Refer Note 2.6 to the financial statements.

The Company's revenue is derived from manufacturing and servicing of electrolytic and water technology products, which also includes long term project contracts. The Company recognises revenue when performance obligations as per the underlying contracts are satisfied in accordance with Ind AS 115 - Revenue from Contract

with Customers. The terms set out in the Company's sales contracts are varied based on the nature of the product and service covered by the contract, which affects the recognition and measurement of revenue as per Ind AS 115.

Due to the nature of company's contracts and the underline contractual obligations and arrangements, the recognition and measurement of revenue involves significant judgements and estimations in assessing the various performance obligations, determining contract costs incurred to date compared to estimated total contract costs, evaluating the Company's rights to receive payments for performance completed till date and recognising the liability for anticipated losses and onerous contracts. Revenues and profits for the year under audit, may significantly change on account of such judgements and estimates, which are subject to uncertainty.

Hence due to the above complexities, significant judgements and estimation uncertainty involved in the assessment of revenue recognition criterions on various contracts, we have considered this as a key audit matter.

#### **Our audit procedure in respect of this area included the following:**

- a. Obtained an understanding of and assessed the design and implementation of revenue recognition process and tested the operating effectiveness of internal financial controls over the existence, accuracy and timing of revenue recognition on test check basis;
- b. Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied;
- c. Evaluated management's estimates and assumptions with respect to estimation of future cost to completion and estimation of provision for onerous contract.
- d. Performed substantive transactional verification on test check basis and applied analytical procedures to validate the recognition of revenue.
- e. Reconciled the revenue as per the sales register to the revenue recorded in the financial statements.
- f. Performed cut-off testing to validate the timing of revenue recognition determined by management.
- g. Evaluated the appropriateness of the disclosures made in the financial statements in relation to revenue recognition as required by applicable accounting standards.

#### **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



Directors' Report including Annexures to the Directors' Report but does not include the financial statements and our auditor's report thereon. The Directors' Report including Annexures to the Directors' Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' Report including Annexures to the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

#### **Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books including daily back-up of books of accounts and other books and papers maintained in electronic mode. However, the servers for the back-up of books of account and other books and papers of the company maintained in electronic mode are physically located outside India.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
  - (g) 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 does not have any pending litigations which would impact its financial position.
- 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.
- iv.

- 1) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51 (a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;
- 2) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 51 (b) no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;
- 3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- (v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 18(c) to the financial statements)

- (vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anup Mundhra**  
Partner  
Membership No. 061083  
UDIN: 23061083BGTDAI9652

Place : Kundaim, Goa  
Date : May 04, 2023



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED**

**Auditor's Responsibilities for the Audit of the 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the 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 financial statements for the year ended March 31, 2023 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.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anup Mundhra**  
Partner  
Membership No. 061083  
UDIN: 23061083BGTDAI9652

Place : Kundaim, Goa  
Date : May 04, 2023



**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2023.**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than lease hold land and buildings thereon wherein the Company is the lessee and the lease agreements for the lease hold land are duly executed in favour of the Company), and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from a Bank on the basis of security of current assets. However, as per the sanction letter, the Company is not required to file the monthly / quarterly returns / statements filed with such Bank.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other applicable statutory dues have generally been regularly deposited with the appropriate authorities in all cases during the year.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues as applicable in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.



- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues as referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of accounts which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (c) and sub Clause (e) and (f) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information explanation provided to us, there are no funds raised on short term basis which have been used for long-term purposes. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- x. (a) The Company did not raise any money by way of an initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company.
- (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) As represented, the Company does not have any CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.
- xvii. According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year or in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.



- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) to (b) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anup Mundhra**  
Partner  
Membership No. 061083  
UDIN: 23061083BGTDAI9652

Place : Kundaim, Goa  
Date : May 04, 2023





**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DE NORA INDIA LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of De Nora India Limited on the Financial Statements for the year ended March 31, 2023]

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of De Nora India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



### **Meaning of Internal Financial Controls With reference to Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls With reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Anup Mundhra**  
Partner  
Membership No. 061083  
UDIN: 23061083BGTDAI9652

Place : Kundaim, Goa  
Date : May 04, 2023



## BALANCE SHEET

As at March 31, 2023

[Amount in Rs Lakhs, unless otherwise stated]

	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	777.19	700.00
Capital work-in-progress	7	219.71	64.14
Other intangible assets	6	12.15	45.29
<b>Financial assets</b>			
Investments	8	16.89	11.16
Deferred tax asset (net)	34	128.26	157.36
Non-current tax assets (net)	9	53.10	77.38
Other non-current assets	10	23.43	8.80
<b>Total non-current assets</b>		<b>1,230.73</b>	<b>1,064.13</b>
<b>Current assets</b>			
Inventories	11	2,862.85	2,383.85
Financial assets			
Investments	8	4,149.40	2,315.51
Trade receivables	12	1,703.11	1,177.92
Cash and cash equivalents	13	384.70	1,389.79
Bank balances other than cash and cash equivalent	14	1,139.88	736.75
Loans	15	1.26	1.08
Other Financial Assets	16	4.64	3.37
Other current assets	17	89.43	291.63
<b>Total current assets</b>		<b>10,335.27</b>	<b>8,299.90</b>
<b>Total assets</b>		<b>11,566.00</b>	<b>9,364.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	530.86	530.86
Other equity	19	9,636.75	7,657.25
<b>Total equity</b>		<b>10,167.61</b>	<b>8,188.11</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	20	10.76	-
Other Non current liabilities	21	29.68	-
<b>Total non-current liabilities</b>		<b>40.44</b>	<b>-</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	22		
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		654.31	305.12
Other financial liabilities	23	92.47	102.85
Provisions	20	77.06	134.51
Other current liabilities	24	500.84	529.54
Current tax liabilities (net)	25	33.27	103.90
<b>Total current liabilities</b>		<b>1,357.95</b>	<b>1,175.92</b>
<b>Total liabilities</b>		<b>1,398.39</b>	<b>1,175.92</b>
<b>Total equity and liabilities</b>		<b>11,566.00</b>	<b>9,364.03</b>
See accompanying notes to the financial statements	1-57		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration No.:105047W

**Anup Mundhra**

Partner

Membership No: 061083

Place : Kundaim, Goa

Date : May 04, 2023

For and on behalf of the Board of Directors

**De Nora India Limited**

CIN: L31200GA1993PLC001335

**Vinay Chopra**

Managing Director

DIN : 06543610

**Deepak Nagvekar**

Chief Financial Officer

**Purushottam S. Mantri**

Director

DIN : 06785989

**Shrikant Pai**

Company Secretary

ICSI Membership No: 40001

Place : Kundaim, Goa

Date : May 04, 2023



## STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

[Amount in Rs Lakhs, unless otherwise stated]

	Notes	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	26	7,358.02	7,416.65
Other income	27	385.52	95.85
<b>Total income</b>		<b>7,743.54</b>	<b>7,512.50</b>
<b>Expenses</b>			
Cost of raw material consumed	28	2,670.74	2,747.61
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(39.19)	269.26
Employee benefits expense	30	622.73	575.23
Finance Costs	31	1.30	14.94
Depreciation and amortization expense	32	136.87	266.96
Other expenses	33	1,635.79	1,542.74
<b>Total expenses</b>		<b>5,028.24</b>	<b>5,416.74</b>
<b>Profit before tax</b>		<b>2,715.30</b>	<b>2,095.76</b>
<b>Tax expense</b>			
Current tax			
For current year profits	34	659.59	610.11
Adjustments for earlier years	34	(1.24)	7.62
Deferred tax charge/ (benefit)	34	29.35	(67.01)
<b>Total income tax expense</b>		<b>687.70</b>	<b>550.72</b>
<b>Profit for the year</b>		<b>2,027.60</b>	<b>1,545.04</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Changes in fair value of FVTOCI equity Securities		5.73	3.74
Remeasurement of net defined benefit liability		(0.99)	(6.91)
Income tax relating to the above items		0.25	1.74
		4.99	(1.43)
<b>Other comprehensive income for the year, net of tax</b>		<b>4.99</b>	<b>(1.43)</b>
<b>Total comprehensive income for the year</b>		<b>2,032.59</b>	<b>1,543.61</b>
<b>Earnings per share</b>			
Basic earnings per share	35	38.19	29.10
Diluted earnings per share	35	38.19	29.10
See accompanying notes to the financial statements	1-57		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration No.:105047W

**Anup Mundhra**

Partner

Membership No: 061083

Place : Kundaim, Goa

Date : May 04, 2023

For and on behalf of the Board of Directors

**De Nora India Limited**

CIN: L31200GA1993PLC001335

**Vinay Chopra**

Managing Director

DIN : 06543610

**Deepak Nagvekar**

Chief Financial Officer

**Purushottam S. Mantri**

Director

DIN : 06785989

**Shrikant Pai**

Company Secretary

ICSI Membership No: 40001

Place : Kundaim, Goa

Date : May 04, 2023



## STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023  
[Amount in Rs Lakhs, unless otherwise stated]

(A) Equity share capital	As at March 31, 2023	As at March 31, 2022
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Opening	530.86	530.86
Add: issue during the year	-	-
Closing	<b>530.86</b>	<b>530.86</b>

(B) Other equity	Reserve and surplus				Items of OCI		Total	
	Particulars	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	FVTOCI Reserve on defined benefit plan		FVTOCI Reserve on equity instruments
Balance as at April 01, 2021		736.08	24.65	706.76	4,698.47	(4.94)	5.71	6,166.73
Profit for the year		-	-	-	1,545.04	-	-	1,545.04
Other comprehensive income		-	-	-	-	(5.17)	3.74	(1.43)
<b>Total other comprehensive income for the year</b>		-	-	-	<b>1,545.04</b>	<b>(5.17)</b>	<b>3.74</b>	<b>1,543.61</b>
Dividend on Equity Shares paid during the year		-	-	-	(53.09)	-	-	(53.09)
<b>Balance as at March 31, 2022</b>		<b>736.08</b>	<b>24.65</b>	<b>706.76</b>	<b>6,190.42</b>	<b>(10.11)</b>	<b>9.45</b>	<b>7,657.25</b>

Particulars	Reserve and surplus			Items of OCI		Total	
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	FVTOCI Reserve on defined benefit plan		FVTOCI Reserve on equity instruments
Balance as at April 01, 2022	736.08	24.65	706.76	6,190.42	(10.11)	9.45	7,657.25
Profit for the year	-	-	-	2,027.60	-	-	2,027.60
Other comprehensive income	-	-	-	-	(0.74)	5.73	4.99
<b>Total other comprehensive income for the year</b>	-	-	-	<b>2,027.60</b>	<b>(0.74)</b>	<b>5.73</b>	<b>2,032.59</b>
Dividend on Equity Shares paid during the year	-	-	-	(53.09)	-	-	(53.09)
<b>Balance as at March 31, 2023</b>	<b>736.08</b>	<b>24.65</b>	<b>706.76</b>	<b>8,164.93</b>	<b>(10.85)</b>	<b>15.18</b>	<b>9,636.75</b>

See accompanying notes to the financial statements 1-57

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration No.:105047W

**Anup Mundhra**

Partner

Membership No: 061083

Place : Kundaim, Goa

Date : May 04, 2023

For and on behalf of the Board of Directors

**De Nora India Limited**

CIN: L31200GA1993PLC001335

**Vinay Chopra**

Managing Director

DIN : 06543610

Place : Kundaim, Goa

Date : May 04, 2023

**Purushottam S. Mantri**

Director

DIN : 06785989

**Deepak Nagvekar**

Chief Financial Officer

**Shrikant Pai**

Company Secretary

ICSI Membership No: 40001



## STATEMENT OF CASH FLOW

for the year ended March 31, 2023

[Amount in Rs Lakhs, unless otherwise stated]

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Cash flow from operating activities</b>		
Profit before tax	2,715.30	2,095.76
<u>Adjustments for:</u>		
Depreciation and amortization expenses	136.87	266.96
Interest income	(40.59)	(33.70)
Finance cost	1.30	14.94
Loss / (gain) on sale/disposal of property, plant and equipment (net)	3.55	(0.02)
Unrealised loss / (gain) on foreign exchange (net)	(0.49)	0.36
Provision for / (Reversal of) Doubtful / Bad Debts (net)	(22.91)	81.40
Provision for / (Reversal of) advances to suppliers (net)	(20.11)	37.81
Provision for / (Reversal of) warranty (net)	(63.00)	66.79
Provision for / (Reversal of) obsolete Stock (net)	42.07	(81.42)
Dividend Income	(0.29)	(3.08)
Loss / (Gain) on sale of investments (net)	(3.36)	(3.05)
Fair value change in Investments	(180.63)	(15.77)
<b>Operating Profit before working capital changes</b>	<b>2,567.71</b>	<b>2,426.98</b>
<b>Changes in working capital</b>		
Decrease/ (Increase) in inventories	(521.07)	(360.58)
Decrease/ (Increase) in trade receivables	(501.38)	(168.58)
Decrease/ (increase) in current assets	222.49	73.48
(Decrease)/ Increase in trade payables	348.78	(29.22)
(Decrease)/ Increase in other financial liabilities	30.33	(4.21)
(Decrease)/ Increase in provisions	15.32	(6.94)
(Decrease)/ Increase in other current liabilities	(28.69)	(240.36)
<b>Cash generated / (used) in operations</b>	<b>2,133.48</b>	<b>1,690.57</b>
Income tax paid net of refund	(705.98)	(524.45)
<b>Net cash flows from / (used in) operating activities (A)</b>	<b>1,427.50</b>	<b>1,166.12</b>



## STATEMENT OF CASH FLOW

for the year ended March 31, 2023

[Amount in Rs Lakhs, unless otherwise stated]

Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Cash flow from Investing activities</b>			
Payment for property, plant and equipment and intangible assets		(366.07)	(107.59)
Purchase of Investments		(1,999.90)	(2,299.25)
Proceeds from sales of investments		350.00	390.26
Proceeds from sale/disposal of property, plant, equipment		-	0.02
Proceeds from/(amount deposited into) fixed deposits (net)		(403.13)	367.13
Interest received		39.31	34.01
Dividend received		0.29	3.08
<b>Net cash flows from / (used in) investing activities (B)</b>		<b>(2,379.50)</b>	<b>(1,612.34)</b>
<b>Cash flow from Financing activities</b>			
Dividend paid		(53.09)	(53.09)
<b>Net cash flows from / (used in) financing activities (C)</b>		<b>(53.09)</b>	<b>(53.09)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>(1,005.09)</b>	<b>(499.31)</b>
Cash and cash equivalents at the beginning of the year		1,389.79	1,889.10
Cash and cash equivalents at the end of the year		<b>384.70</b>	<b>1,389.79</b>
<b>Cash and cash equivalents comprise (Refer note 12)</b>			
Balances with banks			
On current accounts		384.18	201.22
Fixed deposits with maturity less than 3 months		-	440.00
In exchange earner's foreign currency accounts		-	748.38
Cash on hand		0.52	0.19
<b>Total Cash and cash equivalents at end of the year</b>		<b>384.70</b>	<b>1,389.79</b>
See accompanying notes to the financial statements	1 - 57		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration No.:105047W

**Anup Mundhra**

Partner

Membership No: 061083

Place : Kundaim, Goa

Date : May 04, 2023

For and on behalf of the Board of Directors

**De Nora India Limited**

CIN: L31200GA1993PLC001335

**Vinay Chopra**

Managing Director

DIN : 06543610

**Deepak Nagvekar**

Chief Financial Officer

Place : Kundaim, Goa

Date : May 04, 2023

**Purushottam S. Mantri**

Director

DIN : 06785989

**Shrikant Pai**

Company Secretary

ICSI Membership No: 40001



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### 1 General Information

De Nora India Limited ("the Company" or "De Nora") was incorporated in June 1989 as Titanor Components Limited ("Titanor") and commenced business in November 1989. The Company's name was changed to De Nora India Limited on 27 June 2007. The Company has been incorporated under the provisions of The Companies Act and its equity shares are listed on National Stock Exchange of India Limited (NSE). The Company has its manufacturing facilities at Kundaim, Goa, which is also its principal place of business and is involved in the business of manufacturing and servicing of Electrolytic products.

### 2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

#### 2.1 Basis of Preparation of Financial Statements

##### (a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements were authorized for issue by the Company's Board of Directors on May 4, 2023

##### (b) Basis of measurement

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

Items	Measurement Basis
Certain Financial Assets and Financials Liabilities	Fair Value
Net Defined Benefit(asset)/liability	Present value of defined benefit obligation less fair value of plan assets

(c) All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

##### (d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

##### (e) Functional and presentation currency

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





**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

**Depreciation methods, estimated useful lives**

The Company depreciates Property, plant and equipments using the straight line method over their estimated useful lives as under :

<b>Property, plant and equipment</b>	
Leasehold improvement*	Lease period
Office Building	60 years
Factory Building	30 years
Plant & Machinery	15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers	3 years

\* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

**2.3 Other Intangible Assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

<b>Intangible assets</b>	
Computer Software	3-5 years



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

### 2.4 Foreign Currency Transactions

#### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

#### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

### 2.5 Fair value measurement

The Company measures financial instruments 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 accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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

### 2.6 Revenue Recognition

#### Sale of products

Revenue from the sale of products is recognised when the Company satisfies the performance obligation by transferring promised products to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, Goods and Services Tax (GST) and amounts collected on behalf of third party.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### Rendering of services

The Company primarily earns revenue from recoating / repairs of electrolytic products. Revenue from recoating / repairs of electrolytic products is recognized in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of Goods and Services Tax (GST) and amounts collected on behalf of third party.

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other Current Liabilities" as "Advance from Customer".

### Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

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

## 2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

### (a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered 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 year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### (b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2.8 Leases

### As a lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognises a right-of-use asset and a lease liability at the lease commencement date



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost at the commencement date. At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and the lease liability is measured by

- (i) increasing the carrying amount to reflect interest on the lease liability;
- (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest expense on the lease liability is a component of finance costs.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

### 2.9 Inventories

Inventories are valued at the lower of cost and net realisable value.

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

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress and manufactured finished goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

### 2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

### 2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

Provision for warranty is recognized when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

### 2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

### 2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (a) Financial assets

##### (i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### (iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 15-quarters ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 15 quarters ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 15 quarters ECL is a portion of the lifetime ECL which results from default events that are possible within 15 quarters after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 90 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(b) Financial liabilities**

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

*Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

**(c) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### 2.14 Employee Benefits

#### (a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (b) Other long-term employee benefit obligations

##### (i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

##### (ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

##### (iii) Other long term employee benefit obligations

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are determined based on actuarial valuation or discounted present value method carried out at each balance sheet date. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary as at every year end using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### 2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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





## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### 2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company operates in two reportable segments i.e. "Electrode Technologies" and "Water Technologies".

### 2.17 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

### 3 Significant accounting judgments, estimates and assumptions

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2023 are as below :

#### 3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### (a) Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

##### (b) Impairment of non financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

##### (c) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

##### (d) Revenue Recognition

The Company derives significant revenue from recoating / repairs of electrolytic products. Such revenue is recognised in accordance with the terms of the contracts when identified performance obligation is completed. The terms of the contracts are varied which affects the identification of performance obligation, allocation of transaction price to the performance obligation and timing of revenue recognition. The company exercises the significant judgment In assessing the performance obligation and timing of revenue recognition.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

4.1 The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from 01 April 2023:

Below is a summary of such amendments:

**(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements**

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

**(ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors**

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The amendments are not expected to have a material impact on the Company's financial statements.

**(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes**

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

**(iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.**

### 4.2 Standards that became effective during the year

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 with certain amendments, effective from 01 April 2022, did not have any material impact on the financial statements.



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**5 Property, plant and equipment**

Particulars	Gross block			Depreciation			Net block		
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	For the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023
Leasehold Land	10.84	-	-	10.84	1.18	0.20	-	1.38	9.46
Office building	17.32	-	-	17.32	2.59	0.43	-	3.02	14.30
Factory building	246.94	18.43	-	265.37	108.56	17.59	-	126.15	139.22
Plant and Machinery	567.87	136.63	11.37	693.13	95.43	53.30	7.82	140.91	552.22
Furniture and Fixtures	31.01	14.07	-	45.08	17.72	3.60	-	21.32	23.76
Vehicles	29.45	-	-	29.45	7.52	4.30	-	11.82	17.63
Office Equipment	61.53	3.53	-	65.06	37.86	7.00	-	44.86	20.20
Computers	27.90	0.96	2.89	25.97	22.00	6.46	2.89	25.57	0.40
<b>Total</b>	<b>992.86</b>	<b>173.62</b>	<b>14.26</b>	<b>1,152.22</b>	<b>292.86</b>	<b>92.88</b>	<b>10.71</b>	<b>375.03</b>	<b>777.19</b>

Particulars	Gross block			Depreciation			Net block		
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	For the year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022
Leasehold Land	10.84	-	-	10.84	0.98	0.20	-	1.18	9.66
Office building	17.32	-	-	17.32	2.16	0.43	-	2.59	14.73
Factory building	246.94	-	-	246.94	90.82	17.74	-	108.56	138.38
Plant and Machinery	529.17	38.70	-	567.87	48.89	46.54	-	95.43	472.44
Furniture and Fixtures	29.82	1.19	-	31.01	14.29	3.43	-	17.72	13.29
Vehicles	29.45	-	-	29.45	3.22	4.30	-	7.52	21.93
Office Equipment	52.99	8.54	-	61.53	29.97	7.89	-	37.86	23.67
Computers	26.16	3.69	1.95	27.90	17.02	6.93	1.95	22.00	5.90
<b>Total</b>	<b>942.69</b>	<b>52.12</b>	<b>1.95</b>	<b>992.86</b>	<b>207.36</b>	<b>87.46</b>	<b>1.95</b>	<b>292.86</b>	<b>700.00</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**6 Other intangible assets**

Particulars	Gross block			Amortisation			Net block As at March 31, 2023
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	For the year	Deductions/ Adjustments	
Computer Software	882.76	10.85	-	893.61	43.99	-	881.46
<b>Total</b>	<b>882.76</b>	<b>10.85</b>	<b>-</b>	<b>893.61</b>	<b>43.99</b>	<b>-</b>	<b>881.46</b>

Particulars	Gross block			Amortisation			Net block As at March 31, 2022
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	For the year	Deductions/ Adjustments	
Computer Software	881.35	1.41	-	882.76	179.50	-	837.47
<b>Total</b>	<b>881.35</b>	<b>1.41</b>	<b>-</b>	<b>882.76</b>	<b>179.50</b>	<b>-</b>	<b>837.47</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**7 Capital-Work-in Progress (CWIP)**

**As at March 31, 2023**

Particulars	Amount in CWIP for a period of			
	As at April 01, 2022	Additions during the year	Capitalised during the year	As at March 31, 2023
Amount	64.14	252.24	96.67	219.71

**As at March 31, 2022**

Particulars	Amount in CWIP for a period of			
	As at April 01, 2021	Additions during the year	Capitalised during the year	As at March 31, 2022
Amount	-	64.14	-	64.14

**(a) For Capital-work-in progress ageing schedule**

**As at March 31, 2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	219.71	-	-	-	219.71

**As at March 31, 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	64.14	-	-	-	64.14

There are no projects which have been suspended included in the balance above.

There are no projects where completion is overdue or has exceeded its cost compared to the original plans.

**8 Financial Assets- Investments**

	As at March 31, 2023	As at March 31, 2022
Non Current Investments		
Equity Investments at Fair value through Other Comprehensive Income (FVOCI)		
- Quoted equity shares		
10,000 (March 31, 2022 : 10,000) equity shares of Bank of Baroda of Rs 2 each, (March 31, 2022 : Rs.2 each) fully paid-up	16.89	11.16
<b>Total Non Current Investments</b>	<b>16.89</b>	<b>11.16</b>
Current Investments		
Investments in Mutual Funds at Fair value through profit and loss (FVTPL)		
- Investments in Mutual Funds (unquoted) (Refer footnote i)	4,149.40	2,315.51
<b>Total Current Investments</b>	<b>4,149.40</b>	<b>2,315.51</b>
Current	4149.40	2,315.51
Non- Current	16.89	11.16
	<b>4,166.29</b>	<b>2,326.67</b>
<b>Aggregate book value of:</b>		
Mutual Funds (unquoted)	4,149.40	2,315.51
<b>Aggregate market value of:</b>		
Mutual Funds (unquoted)	4,149.40	2,315.51
<b>Aggregate amount of impairment in value of Investments</b>	-	-



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### Footnote:

#### i. Details of investments in Mutual Funds designated at FVTPL:

Particulars	Number of units		Amount (in Rs.)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
HDFC Ultra Short Term Fund - Direct Plan - Growth	158.13	93.25	2,072.49	1,157.45
TATA Money Market Fund Direct Plan - Growth	0.46	0.25	1,862.41	955.07
TATA Ultra Short Term Fund - Direct Plan - Growth	17.05	17.05	214.50	202.99
	<b>175.64</b>	<b>110.55</b>	<b>4,149.40</b>	<b>2,315.51</b>

#### 9 Non-current tax assets

	As at March 31, 2023	As at March 31, 2022
Income tax receivable [net of provision for tax INR 1,093.92 Lakhs (March 31, 2022 : INR 469.07 lakhs ) ]	53.10	77.38
	<b>53.10</b>	<b>77.38</b>

#### 10 Other non-current assets

	As at March 31, 2023	As at March 31, 2022
Surplus in Gratuity fund (funded) (Refer Note 33)	-	0.17
Surplus in Leave availment fund (funded)	-	0.19
Capital advance*	23.43	8.44
<b>Total other non-current assets</b>	<b>23.43</b>	<b>8.80</b>

\* Value of contracts in capital account remaining to be executed as at March 31, 2023 is Rs. 53.81 Lakhs (March 31, 2022: Rs. 210.93 Lakhs)

#### 11 Inventories

	As at March 31, 2023	As at March 31, 2022
(Valued at the lower of cost and net realizable value)		
Raw material	2,081.19	1,641.38
Work in progress	694.54	643.00
Finished goods	87.12	99.47
<b>Total Inventories</b>	<b>2,862.85</b>	<b>2,383.85</b>

#### 12 Trade receivable

	As at March 31, 2023	As at March 31, 2022
Secured, considered good		
Unsecured		
-Considered good	1,703.11	1,177.92
-Considered doubtful	161.57	184.65
Less : Allowance for bad and doubtful debts	(161.57)	(184.65)
<b>Total Trade Receivable</b>	<b>1,703.11</b>	<b>1,177.92</b>
Further classified as:		
Receivable from related parties (Refer note 37)	141.69	50.50
Receivable from others	1,561.42	1,127.42
	<b>1,703.11</b>	<b>1,177.92</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

Footnote i : Include due from following Companies in which the Company is having common directors:

	As at March 31, 2023	As at March 31, 2022
De Nora Deutschland GmbH	11.90	-
	<b>11.90</b>	<b>-</b>

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

**As at March 31, 2023**

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered	-	1247.76	464.72	1.28	15.16	79.95	4.03	<b>1,812.90</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	32.04	19.74	<b>51.78</b>
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(12.07)	(1.01)	(15.16)	(111.99)	(21.34)	<b>(161.57)</b>
<b>Total</b>	<b>-</b>	<b>1,247.76</b>	<b>452.65</b>	<b>0.27</b>	<b>-</b>	<b>-</b>	<b>2.43</b>	<b>1,703.11</b>

**As at March 31, 2022**

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered	-	979.49	177.34	70.36	0.13	2.05	81.42	<b>1,310.79</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	32.02	19.74	-	<b>51.78</b>
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(7.26)	(4.40)	(39.97)	(32.11)	(19.92)	(80.99)	<b>(184.65)</b>
<b>Total</b>	<b>-</b>	<b>972.23</b>	<b>172.94</b>	<b>30.39</b>	<b>0.06</b>	<b>1.87</b>	<b>0.43</b>	<b>1,177.92</b>



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### 13 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
On current accounts	384.18	201.21
In exchange earner's foreign currency (EEFC) accounts	-	748.39
Fixed deposits with maturity less than 3 months	-	440.00
Cash on hand	0.52	0.19
<b>Total Cash and cash equivalents</b>	<b>384.70</b>	<b>1,389.79</b>

Cash balances on current account and EEFC Account do not earn interest. Short-term deposits are made for varying periods of between one to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

### 14 Bank balances other than Cash and cash equivalent

	As at March 31, 2023	As at March 31, 2022
In Fixed deposit with maturity for more than 3 months but less than 12 months	1,132.47	728.67
Earmarked Balances - Unpaid dividend #	7.41	8.08
<b>Total Bank balances other than Cash and cash equivalent</b>	<b>1,139.88</b>	<b>736.75</b>

\* Lien on FDR as on March 31, 2023 is Rs.734.30 Lakhs (March 31, 2022 is Rs.729.73Lakhs ). Details are as follows:-

Particulars of facility	Amount of Facility	Deposit against facility
Bank Overdraft Account facility	150.00	150.00
	(150.00)	(150.00)
Bank Guarantee Facility	527.65	527.65
	(527.65)	(527.65)
Total	677.65	677.65
	(677.65)	(677.65)

(Amounts in brackets pertains to previous year ended March 31, 2022)

# Amount restricted in use on account of unpaid dividend. No amount is due to be transferred to the Investors Education & Protection Fund as at March 31, 2023 (March 31, 2022 - Rs. Nil).

### 15 Loans

	As at March 31, 2023	As at March 31, 2022
<u>Unsecured, considered good</u>		
Loan to Staff	1.26	1.08
<b>Total Loans and Deposits</b>	<b>1.26</b>	<b>1.08</b>

### 16 Other Financial Assets

	As at March 31, 2023	As at March 31, 2022
Security deposits	2.28	2.28
Interest Accrued	2.36	1.09
<b>Total Other Financial Assets</b>	<b>4.64</b>	<b>3.37</b>





**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**17 Other current assets**

	As at March 31, 2023	As at March 31, 2022
Advances to Suppliers	42.79	12.22
Balance with Government authorities	-	235.03
Value/Refund to be received from revenue authorities	12.28	6.98
Prepaid expenses	20.39	15.89
Other receivables	13.97	21.51
<b>Total Other current assets</b>	<b>89.43</b>	<b>291.63</b>

**18 Share capital**

**(a) Equity shares**

	As at March 31, 2023	As at March 31, 2022
<b>Authorized</b>		
1,00,00,000 (March 31, 2022 - 1,00,00,000) Equity shares of Rs. 10 each	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>
<b>Issued, subscribed and paid up</b>		
53,08,634 (March 31, 2022 - 53,08,634) Equity Shares of Rs. 10 each fully paid	530.86	530.86
<b>Total</b>	<b>530.86</b>	<b>530.86</b>

**(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

	As at March 31, 2023		As at March 31, 2022	
	Nos. of shares in lakhs	Amount	Nos. of shares in lakhs	Amount
Outstanding at the beginning of the year	53.09	530.86	53.09	530.86
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>53.09</b>	<b>530.86</b>	<b>53.09</b>	<b>530.86</b>

**(c) Rights, preferences and restrictions attached to shares**

Equity Shares: The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The Board of Directors at its meeting held on May 04, 2023 has recommended a final dividend of Re. 2/- per equity share of Rs. 10/- each (previous year Re. 1/- per equity share of Rs. 10/- each) subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

**(d) Shares (Nos. in lakhs) held by the holding Company**

	As at March 31, 2023	As at March 31, 2022
Oronzio De Nora International B. V.	28.50	28.50

**(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at Mar 31, 2023		As at March 31, 2022	
	Nos. of shares in lakhs	% of holding in the class	Nos. of shares in lakhs	% of holding in the class
<b>Equity shares of Rs. 10 each fully paid</b>				
Oronzio De Nora International B. V.	28.50	53.68%	28.50	53.68%



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

**(f) Details of Shares held by Promoters at the end of the year**

Promoter name	As at Mar 31, 2023			As at March 31, 2022		
	No. of Shares in lakhs	% of total shares	% Change during the year	No. of Shares in lakhs	% of total shares	% Change during the year
Oronzio De Nora International B. V.	28.50	53.68%	0%	28.50	53.68%	0%

(g) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(h) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**19 Other equity**

**(A) Securities premium reserve (SPR)\***

	As at March 31, 2023	As at March 31, 2022
Opening balance	736.08	736.08
Add : Securities premium credited on share issue	-	-
<b>Closing balance</b>	<b>736.08</b>	<b>736.08</b>

\*SPR record premium on issue of shares to be utilized in accordance with the Companies Act, 2013.

**(B) General reserve (GR)\***

	As at March 31, 2023	As at March 31, 2022
Opening balance	706.76	706.76
Add: movement during the year	-	-
<b>Closing balance</b>	<b>706.76</b>	<b>706.76</b>

\* GR is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

**(C) Capital redemption reserve (CRR)\***

	As at March 31, 2023	As at March 31, 2022
Opening balance	24.65	24.65
Movement during the year	-	-
<b>Closing balance</b>	<b>24.65</b>	<b>24.65</b>

\* CRR up to the nominal value of shares is created out of distributable profit for buyback of shares as per the Companies Act, 2013.

**(D) Surplus / (deficit) in the Statement of Profit and Loss**

	As at March 31, 2023	As at March 31, 2022
Opening balance	6,190.42	4,698.47
Add: Net Profit for the current year	2,027.60	1,545.04
Dividend on Equity Shares	(53.09)	(53.09)
<b>Closing balance</b>	<b>8,164.93</b>	<b>6,190.42</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**(E) Investments FVTOCI Reserve on equity instruments \***

	As at March 31, 2023	As at March 31, 2022
Opening balance	9.45	5.71
Fair valuation changes for the year	5.73	3.74
<b>Closing balance</b>	<b>15.18</b>	<b>9.45</b>

\* comprises of cumulative fair valuation changes in equity shares. The Company has elected to recognise changes in fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within the equity, the Company transfers the amount from this reserve to retained earnings when the relevant equity securities are de-recognised.

**(F) FVTOCI reserve on defined benefit plan (net of tax)\***

	As at March 31, 2023	As at March 31, 2022
Opening Balance	(10.11)	(4.94)
Remeasurement gain / (loss) on defined benefit plans (net of tax)	(0.74)	(5.17)
<b>Closing balance</b>	<b>(10.85)</b>	<b>(10.11)</b>
<b>Total other equity</b>	<b>9,636.75</b>	<b>7,657.25</b>

\* Comprises cumulative impact of amounts (net of tax effect) recognized through other comprehensive income and has not been transferred to Equity or Profit and loss, as applicable.

**20 Provisions**

	Current		Non Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer note 36)				
Provision for gratuity (funded)	-	-	10.76	-
Provision for Sick Leave availment (funded)	6.27	0.72	-	-
	6.27	0.72	10.76	-
Other provisions				
Provision for warranties	70.79	133.79	-	-
	70.79	133.79	-	-
<b>Total Provisions</b>	<b>77.06</b>	<b>134.51</b>	<b>10.76</b>	<b>-</b>

**21 Other Non Current Liabilities**

	As at March 31, 2023	As at March 31, 2022
<b>Employee Payable</b>		
Provision for Employees Payable	29.68	-
	<b>29.68</b>	<b>-</b>

**22 Trade payables**

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises ##	654.31	305.12
<b>Total trade payables</b>	<b>654.31</b>	<b>305.12</b>

\* Based on the information available with the Company, there are no outstanding dues and payments made during the year to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**As at March 31, 2023**

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	255.48	342.78	24.08	2.33	9.11	20.53	654.31
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>255.48</b>	<b>342.78</b>	<b>24.08</b>	<b>2.33</b>	<b>9.11</b>	<b>20.53</b>	<b>654.31</b>

**As at March 31, 2022**

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	232.87	36.66	5.03	9.58	16.15	4.83	305.12
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>232.87</b>	<b>36.66</b>	<b>5.03</b>	<b>9.58</b>	<b>16.15</b>	<b>4.83</b>	<b>305.12</b>

## Refer Note 37 for trade payables to related parties

**23 Other financial liabilities**

	As at March 31, 2023	As at March 31, 2022
(at amortised cost)		
Employee Payable	80.86	79.55
Unpaid Dividend #	7.41	8.08
Capital creditors	4.20	15.22
<b>Total other financial liabilities</b>	<b>92.47</b>	<b>102.85</b>

# During the year ended March 31, 2023 unpaid dividend of Rs. 1.19 Lakhs (previous year ended March 31, 2022 Rs. 2.48 Lakhs) was transferred to Investor Education Protection Fund on 09/08/2022.

**24 Other current liabilities**

	As at March 31, 2023	As at March 31, 2022
Statutory due payable	59.88	17.66
Advance from customer	440.96	511.88
<b>Total other current liabilities</b>	<b>500.84</b>	<b>529.54</b>

**25 Current tax liabilities (net)**

	As at March 31, 2023	As at March 31, 2022
Provision for Income Tax [net of advance tax and tax deducted at source of INR. 626.31 lakhs (March 31, 2022 : INR 521.16 lakhs)]	33.27	103.90
	<b>33.27</b>	<b>103.90</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**26 Revenue from operations**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Revenue from contracts with customers		
- Sale of Products	1,221.16	1,951.13
- Sale of services	6,035.40	5,406.08
(I)	<b>7,256.56</b>	<b>7,357.21</b>
Other operating revenue		
- Sale of Process Scrap	11.62	6.16
- Duty Drawback	89.84	22.12
- MEIS Income	-	31.16
(II)	<b>101.46</b>	<b>59.44</b>
<b>Total Revenue from operations</b>	<b>7,358.02</b>	<b>7,416.65</b>
(I + II)		

**27 Other income**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest income		
- On deposits with bank	40.34	33.16
- On income taxes	0.10	-
- On Others	0.15	0.54
Dividend income		
- from current investments	0.29	3.08
Profit on sale of current investments	3.36	3.05
Other non operating income		
- Fair valuation adjustments of Investments designated as FVTPL*	180.63	15.77
- Sale of miscellaneous scrap	14.83	5.75
Income from deputations services	36.23	30.75
Warranty provision written back	63.00	-
Provision for advances to suppliers written back (net)	20.11	-
Provision for doubtful debts written back (net)	22.91	-
Foreign exchange fluctuation (net)	-	2.20
Profit on sale of fixed assets	-	0.02
Miscellaneous income	3.57	1.53
<b>Total Other Income</b>	<b>385.52</b>	<b>95.85</b>

\* FVTPL of investments represent fair valuation changes in mutual funds.

**28 Cost of material consumed**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventory at the beginning of the year	1,641.38	930.11
Add: Purchases	3,110.55	3,458.88
Less: Inventory at the end of the year	(2,081.19)	(1,641.38)
<b>Cost of raw material consumed</b>	<b>2,670.74</b>	<b>2,747.61</b>



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### 29 Changes in inventories of finished goods and work-in-progress

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Inventories at the beginning of the year</b>		
-Finished goods	99.47	162.17
-Work-in-progress	643.00	849.56
	<b>742.47</b>	<b>1,011.73</b>
<b>Less: Inventories at the end of the year</b>		
-Finished goods	87.12	99.47
-Work-in-progress	694.54	643.00
	<b>781.66</b>	<b>742.47</b>
<b>Net decrease/ (increase)</b>	<b>(39.19)</b>	<b>269.26</b>

### 30 Employee benefits expense

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages, bonus, ex-gratia and other allowances	522.37	486.29
Contribution to Provident Fund and Other Social Securities funds / schemes # (Refer Note 36)	43.26	42.93
Contribution to Gratuity fund (Refer note 36)	11.21	10.39
Staff welfare and other employee expenses	45.89	35.62
<b>Total Employee benefits expense *</b>	<b>622.73</b>	<b>575.23</b>

# Based on the Supreme Court Judgement dated February 28, 2019, the Company was required to reassess the components to be included in the basic salary for the purposes of deduction of PF. However, the Company believes that there is not likely to be material impact and hence has not provided for any additional liability as on March 31, 2023 (previous year March 31, 2022 - Rs. Nil) in the books of account.

\* 'The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

### 31 Finance Costs

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest on delayed payment of income tax	1.30	14.94
	<b>1.30</b>	<b>14.94</b>

### 32 Depreciation and amortization expense

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation (Refer note 5)	92.88	87.46
Amortization (Refer note 6)	43.99	179.50
<b>Total Depreciation and amortization expense</b>	<b>136.87</b>	<b>266.96</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**33 Other expenses**

	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>
Stores and spares consumed	107.50	104.37
Packing material consumed	22.60	20.13
Job work charges	64.57	22.05
Labour charges	185.85	177.16
House Keeping charges	23.37	21.93
Electricity and water	81.58	66.44
Rates and Taxes	3.59	2.04
Repairs and maintenance-Building	198.78	35.61
Repairs and maintenance- Machinery	27.76	35.08
Repairs and maintenance - others	68.44	59.40
Insurance	29.71	34.93
Provision for Bad & Doubtful Debts (Net)	-	81.40
Provision for Warranty	-	66.79
Foreign exchange fluctuation (net)	12.64	-
Travel and conveyance	77.19	67.73
Freight and forwarding	9.59	43.59
Communication, broadband and internet expenses	10.87	7.87
Loss on sale/disposal of fixed assets (Net)	3.55	-
Corporate Social Responsibility (CSR) expenses (refer note no. 47)	25.88	13.25
Printing & Stationery	6.03	4.78
Advertisement and sales promotion	7.87	4.49
Legal and professional charges**	403.32	413.64
Bank charges	6.96	7.68
Donation	0.11	0.11
Royalty	209.12	163.28
Security Charges	31.35	31.97
Subscription & Membership	3.77	3.77
Directors' Sitting Fees	2.10	2.95
Other Operating Expenses	0.29	2.31
Provision for advances to supplier	-	37.81
Miscellaneous expenses	11.41	10.18
<b>Total Other Expenses</b>	<b>1,635.79</b>	<b>1,542.74</b>

\* FVTPL of investments represent fair valuation changes in mutual funds.

\*\* Includes Auditors' remuneration (exclusive of GST) as follows:



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>As auditor:</b>		
Statutory audit	26.50	22.50
<b>In other capacity:</b>		
Tax audit	2.00	2.00
Reimbursement of expenses	0.25	0.28
<b>Total</b>	<b>28.75</b>	<b>24.78</b>

**34 Income Tax**

**(A) Deferred tax relates to the following:**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Deferred tax assets</b>		
On provision for employee benefits	26.97	3.12
On disallowance u/s 40A of Income Tax Act, 1961	47.44	49.00
On Provision for warranty	17.82	33.67
On Provision for doubtful receivables	40.66	46.47
On Provision for inventory obsolescence	60.34	49.75
On others	12.90	13.48
<b>(I)</b>	<b>206.13</b>	<b>195.49</b>
<b>Deferred tax liabilities</b>		
On property, plant and equipment	31.65	34.16
On fair value change of Investment	46.22	3.97
<b>(II)</b>	<b>77.87</b>	<b>38.13</b>
Deferred tax asset, net	<b>(I - II) 128.26</b>	<b>157.36</b>

**(B) Reconciliation of deferred tax assets/ (liabilities) (net):**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening balance as of 1 April	157.36	88.61
Effect on tax liability recognized in Statement of Profit and Loss	(39.74)	28.56
Effect on tax asset / (liability) recognized in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	0.25	1.74
Effect on tax asset recognized in Statement of Profit and Loss	10.39	38.45
Closing balance as at 31 March	<b>128.26</b>	<b>157.36</b>





## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### (C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Tax liability	39.74	(28.56)
Tax asset	(10.39)	(38.45)
	<b>29.35</b>	<b>(67.01)</b>

### (D) Income tax expense

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
- Current tax taxes	659.59	610.11
- Adjustments in respect of current income tax of previous year	(1.24)	7.62
- Deferred tax charge / (income)	29.35	(67.01)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>687.70</b>	<b>550.72</b>

### (E) Income tax expense charged to OCI

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net loss/(gain) on remeasurements of defined benefit plans	(0.25)	(1.74)
<b>Income tax charged to OCI</b>	<b>(0.25)</b>	<b>(1.74)</b>

### (F) Reconciliation of tax charge

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit before tax	2,715.30	2,095.76
Tax Rate	25.17%	25.17%
Income tax expense at tax rates applicable	683.39	527.46
Tax effects of:		
- Item not deductible for tax / (taxable)	5.55	15.64
Earlier year adjustment	(1.24)	7.62
<b>Income tax expense</b>	<b>687.70</b>	<b>550.72</b>



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### 35 Earnings/ (Loss) per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit attributable to equity holders	2,027.60	1,545.04
Weighted average number of equity shares for basic EPS (Nos in lacs)	53.09	53.09
Effect of dilution:		
Share options	-	-
Convertible preference shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution (Nos in lacs)	<b>53.09</b>	<b>53.09</b>
Basic Earnings per share (INR)	38.19	29.10
Diluted Earnings per share (INR)	38.19	29.10

### 36 Employee benefits

#### A) Defined Contribution Plans

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –		
Employers' Contribution to Provident Fund	22.70	22.53
Employers' Contribution to Pension Fund	7.52	7.76
Employers' Contribution to Superannuation Fund	12.89	12.49
Social securities employers' contributions	0.15	0.15
Employer contribution to Employee State Insurance and employee social securities fund / scheme	<b>43.26</b>	<b>42.93</b>

#### (B) Defined benefit plans

	As at March 31, 2023	As at March 31, 2022
a) Surplus in Gratuity Fund / (Gratuity payable to employees) (Refer Note 10 and 20)	(10.76)	0.17

#### i) Actuarial assumptions

	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	7.45%	6.95%
Rate of increase in Salary	8.00%	8.00%
Expected average remaining working lives of employees (years)	8.73	8.85
Attrition rate	3.00%	3.00%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**ii) Changes in the present value of defined benefit obligation and plan assets**

	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the beginning of the year	247.19	233.30
Interest cost	15.68	14.00
Current service cost	12.72	12.34
Benefits paid	(22.45)	(20.09)
Actuarial (gain)/ loss on obligations	(2.84)	7.64
<b>Present value of obligation at the end of the year</b>	<b>250.30</b>	<b>247.19</b>
Plan assets at the beginning of the year	247.36	248.81
Expected return of plan assets	17.19	15.95
Contributions	1.27	1.96
Benefits paid	(22.45)	(20.09)
Actuarial gain / (loss)	(3.83)	0.73
<b>Plan assets at the end of the year</b>	<b>239.54</b>	<b>247.36</b>

**iii) Expense recognized in the Statement of Profit and Loss**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Current service cost	12.72	12.34
Interest cost	15.68	14.00
Expected return on plan assets	(17.19)	(15.95)
<b>Total expenses recognized in the Statement Profit and Loss*</b>	<b>11.21</b>	<b>10.39</b>

\*Included in Employee benefits expense (Refer Note 30). Actuarial (gain)/loss of Rs. 0.99 Lakhs- (March 31, 2022: Rs. 6.91 Lakhs) is included in other comprehensive income.

**iv) Assets and liabilities recognized in the Balance Sheet:**

	As at March 31, 2023	As at March 31, 2022
Present value of funded obligation as at the end of the year	250.30	247.19
Fair Value of Plan Assets	239.54	247.36
<b>Net defined benefit asset / (liability) recognized in Balance Sheet*</b>	<b>(10.76)</b>	<b>0.17</b>

\*liability Included in provision for employee benefits and asset in Other non current assets (Refer note 10 and 20)

**v) Expected contribution to the fund in the next year**

	As at March 31, 2023	As at March 31, 2022
Gratuity	45.02	43.22



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**vi) A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Impact on defined benefit obligation		
Discount rate		
100 basis points increase	236.28	232.64
100 basis points decrease	265.78	263.32
Rate of increase in salary		
100 basis points increase	265.55	263.32
100 basis points decrease	236.22	232.64

**vii) Maturity profile of defined benefit obligation**

**Expected future cash flows**

	As at March 31, 2023	As at March 31, 2022
Year		
Year 1	45.02	43.22
Year 2	12.71	19.63
Year 3	12.96	12.02
Year 4	24.25	12.25
Year 5	48.20	22.77
Year 6 to 10	130.63	141.05
Above 10 years	145.10	156.74

**37 Related Party Disclosures**

(A) Names of related parties and description of relationship as identified and certified by the Company:

**Ultimate Holding Company**

Industrie De Nora S.p.A

**Holding Company**

Oronzio De Nora International B.V.

**Key Management Personnel (KMP)**

Mr. Satish Dhume	Chairman & Independent Director
Mr. Vinay Chopra	Managing Director
Mr. Robert Scannell	Non-Executive Director
Mr. Purushottam S. Mantri	Non-Executive & Independent Director
Ms. Supriya Banerji	Non-Executive & Independent Director
Mr. Francesco L'Abbate	Non-Executive Director
Mr. Shrikant Pai	Company Secretary
Mr. Deepak Nagvekar	Chief Financial Officer



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**Other related parties with whom transactions have taken place during the year**

De Nora Deutschland GmbH	Fellow subsidiary
De Nora Tech LLC	Fellow subsidiary
De Nora Water Technologies LLC- Singapore Branch	Fellow subsidiary
De Nora Italy S.r.l Singapore Branch	Fellow subsidiary
De Nora Permelec Limited	Fellow subsidiary
De Nora Elettrodi (Suzhou) Co. Ltd	Fellow subsidiary
De Nora Italy S.r.L	Fellow subsidiary
Thyssenkrupp Nucera AG & Co.	Fellow subsidiary
De Nora Do Brasil Ltd	Fellow subsidiary
YPK & Associates	Firm in which relative of Director is a partner

**(B) Details of transactions with related party in the ordinary course of business for the year ended March 31, 2023**

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
<b>Purchase of raw material, trading goods and spares</b>						
De Nora Deutschland GmbH	-	-	49.63	-	-	49.63
	(-)	(-)	(46.69)	(-)	(-)	(46.69)
De Nora Italy S.r.L	-	-	2.59	-	-	2.59
	(-)	(-)	(-)	(-)	(-)	(-)
De Nora Permelec Limited	-	-	-	-	-	-
	(-)	(-)	(3.55)	(-)	(-)	(3.55)
De Nora Tech LLC	-	-	-	-	-	-
	(-)	(-)	(5.50)	(-)	(-)	(5.50)
<b>Purchase of services</b>						
Industrie De Nora S.p.A	-	349.38	-	-	-	349.38
	(-)	(339.10)	(-)	(-)	(-)	(339.10)
De Nora Deutschland GmbH	-	-	19.26	-	-	19.26
	(-)	(-)	(14.39)	(-)	(-)	(14.39)
YPK & Associates	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.40)	(0.40)
<b>Purchase of intangible assets</b>						
Industrie De Nora S.p.A	-	10.01	-	-	-	10.01
	(-)	(0.51)	(-)	(-)	(-)	(0.51)
<b>Purchase of Tangible Assets (CWIP)</b>						
De Nora Deutschland GmbH	-	-	156.58	-	-	156.58
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Payment of Dividend</b>						
Oronzio De Nora International B.V.	28.50	-	-	-	-	28.50
	(28.50)	(-)	(-)	(-)	(-)	(28.50)



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
<b>Royalty</b>						
Industrie De Nora S.p.A	- (-)	209.12 (163.28)	- (-)	- (-)	- (-)	209.12 (163.28)
<b>Sale of goods and services</b>						
De Nora Italy S.r.L	- (-)	- (-)	894.67 (1,983.59)	- (-)	- (-)	894.67 (1,983.59)
De Nora Deutschland GmbH	- (-)	- (-)	86.36 (20.53)	- (-)	- (-)	86.36 (20.53)
De Nora Italy S.r.l Singapore Branch	- (-)	- (-)	29.35 (25.67)	- (-)	- (-)	29.35 (25.67)
Thyssenkrupp Nucera AG & Co. K	- (-)	- (-)	0.27 (-)	- (-)	- (-)	0.27 (-)
De Nora Do Brasil Ltd	- (-)	- (-)	- (1.72)	- (-)	- (-)	- (1.72)
<b>Other Income</b>						
De Nora Tech LLC	- (-)	- (-)	1.63 (1.51)	- (-)	- (-)	1.63 (1.51)
<b>Recovery of expenses</b>						
De Nora Italy S.r.L	- (-)	- (-)	3.09 (3.23)	- (-)	- (-)	3.09 (3.23)
De Nora Italy S.r.l Singapore Branch	- (-)	- (-)	- (0.39)	- (-)	- (-)	- (0.39)
De Nora Elettrodi (Suzhou) Co. Ltd	- (-)	- (-)	36.23 (30.75)	- (-)	- (-)	36.23 (30.75)
<b>Sitting Fees to Non-Executive Directors</b>						
Mr Satish Dhume	- (-)	- (-)	- (-)	0.60 (0.70)	- (-)	0.60 (0.70)
Ms. Supriya Banerji	- (-)	- (-)	- (-)	0.30 (0.50)	- (-)	0.30 (0.50)
Mr. Purshottam S. Mantri	- (-)	- (-)	- (-)	0.70 (0.80)	- (-)	0.70 (0.80)
Mr. Robert Scannell	- (-)	- (-)	- (-)	0.40 (0.70)	- (-)	0.40 (0.70)
Mr. Francesco L'Abbate	- (-)	- (-)	- (-)	0.10 (0.25)	- (-)	0.10 (0.25)



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	KMP Relative	Total
<b>Managerial Remuneration</b>						
Mr. Vinay Chopra	-	-	-	83.39	-	83.39
	(-)	(-)	(-)	(42.78)	(-)	(42.78)
Mr. Deepak Nagvekar	-	-	-	44.73	-	44.73
	(-)	(-)	(-)	(34.09)	(-)	(34.09)
Mr. Shrikant Pai	-	-	-	10.45	-	10.45
	(-)	(-)	(-)	(9.18)	(-)	(9.18)
<b>Amount due from</b>						
De Nora Deutschland GmbH	-	-	11.90	-	-	11.90
	(-)	(-)	(-)	(-)	(-)	(-)
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	10.26	-	-	10.26
	(-)	(-)	(7.93)	(-)	(-)	(7.93)
De Nora Water Technologies LLC- Singapore Branch	-	-	1.84	-	-	1.84
	(-)	(-)	(1.70)	(-)	(-)	(1.70)
De Nora Tech LLC	-	-	1.63	-	-	1.63
	(-)	(-)	(1.51)	(-)	(-)	(1.51)
De Nora Italy S.r.L	-	-	115.77	-	-	115.77
	(-)	(-)	(39.37)	(-)	(-)	(39.37)
Thyssenkrupp Nucera AG & Co.	-	-	0.30	-	-	0.30
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Amount due to</b>						
Industrie De Nora S.p.A	-	177.00	-	-	-	177.00
	(-)	(178.32)	(-)	(-)	(-)	(178.32)
De Nora Water Technologies LLC- Singapore Branch	-	-	10.88	-	-	10.88
	(-)	(-)	(10.00)	(-)	(-)	(10.00)
De Nora Deutschland GmbH	-	-	4.80	-	-	4.80
	(-)	(-)	(4.94)	(-)	(-)	(4.94)
De Nora Permelec Limited	-	-	-	-	-	-
	(-)	(-)	(0.56)	(-)	(-)	(0.56)
Mr. Robert Scannell	-	-	-	1.03	-	1.03
	(-)	(-)	(-)	(0.88)	(-)	(0.88)
Mr. Francesco L'Abbate	-	-	-	0.40	-	0.40
	(-)	(-)	(-)	(0.40)	(-)	(0.40)

Amounts in brackets pertains to previous year ended March 31, 2022

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022 - Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

The Company's international / domestic transfer pricing certification is carried out by an independent firm of Chartered Accountants. The Company has established a system of maintenance of documents and information as required by the transfer pricing legislation u/s. 92-92F of the Income Tax Act, 1961. Up to 31 March, 2022, the last date for which the transfer pricing certification was carried out, there were no adjustments made to the transactions entered into with 'associated enterprises' as defined in section 92A of the Income Tax Act, 1961. The Management believes that the international transactions and specified domestic transactions entered into with 'associated enterprises' during the financial year are at arm's length price and that there will be no impact on the amount of tax expense or the provision of tax on the application of the transfer pricing legislation to such transactions..

### 38 Segment Reporting

#### A. Basis for segmentation :

Operating segments are identified as those components of the Company:-

- that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components;
- whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and performance assessment; and
- for which discrete financial information is available.

The Company has two reportable segments as described under 'Segment Composition' below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements

#### B. Reportable segments :

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

#### C. Segment profit :

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Company's Board of Directors

#### D. Segment composition :

As per the criteria specified under Ind AS 108 - Operating Segments, the Company has identified 'Electrode Technologies' and 'Water Technologies' as its Operating Segments.

#### E. Information about reportable segments :

	March 31, 2023		March 31, 2022	
	Electrode technologies	Water technologies	Electrode technologies	Water technologies
<b>Revenue</b>				
External Customers	7,254.55	103.47	6,883.43	533.22
Inter-segment	-	-	-	-
<b>Total revenue</b>	<b>7,254.55</b>	<b>103.47</b>	<b>6,883.43</b>	<b>533.22</b>
<b>Segment profit</b>	<b>2,608.28</b>	<b>(31.68)</b>	<b>2,230.99</b>	<b>56.06</b>
<b>Segment assets</b>	<b>6,657.29</b>	<b>548.92</b>	<b>6,187.46</b>	<b>569.87</b>
<b>Segment liabilities</b>	<b>880.37</b>	<b>484.74</b>	<b>653.22</b>	<b>418.80</b>





**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**F. Reconciliation of information on reportable segments**

	March 31, 2023	March 31, 2022
Revenue from reportable segments	7,358.02	7,416.65
<b>Total revenue from operations</b>	<b>7,358.02</b>	<b>7,416.65</b>
Total profit before tax for reportable segments	2,576.60	2,287.05
Un-allocable expenditure net-off un-allocable income	138.70	(191.29)
<b>Total profit before tax from operations as reported in Statement of Profit and Loss</b>	<b>2,715.30</b>	<b>2,095.76</b>
Total assets from reportable segments	7,206.21	6,757.33
Un-allocated assets	4,359.80	2,606.70
<b>Total assets as reported in Balance sheet</b>	<b>11,566.01</b>	<b>9,364.03</b>
Total liabilities from reportable segments	1,365.11	1,072.02
Un-allocated liabilities	33.28	103.90
<b>Total liabilities as reported in Balance sheet</b>	<b>1,398.39</b>	<b>1,175.92</b>

**G. Geographical information**

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table.

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
India	6,323.58	5,369.55
Outside India	1,034.44	2,047.10
<b>Total</b>	<b>7,358.02</b>	<b>7,416.65</b>

**H. Major customers**

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:		
Customer A	3,866.97	3,034.45
Customer B	866.93	1,983.59
<b>Total</b>	<b>4,733.90</b>	<b>5,018.04</b>

**39 Fair values of financial assets and financial liabilities**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**The following methods and assumptions were used to estimate the fair values:**

1. Fair value of cash, bank balances, short-term deposits, trade and other short-term receivables, trade payables, short term borrowings and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these Financial instruments.
2. The fair value of non-current financial assets comprising of security term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.
3. Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

### 40 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

#### **Fair value measurement hierarchy of assets**

	As at March 31, 2023	As at March 31, 2022
(a) <u>Financial Assets measured at fair value</u>		
<b>Level 1 (Quoted price in active markets)</b>		
Investments in mutual funds FVTPL	4,149.40	2,315.51
(b) <u>Financial assets measured at FVTOCI</u>		
<b>Level 1</b>		
<b>Investments in equity instruments FVTOCI</b>	16.89	11.16

Investment in equity shares is designated as FVTOCI \*

\*The equity instruments which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company has considered this to be more relevant.

There have been no transfers between Level 1 and Level 2 during the period

Financial assets measured at amortized cost (at level 3)

	As at March 31, 2023	As at March 31, 2022
Trade receivables (Note 12)	1,703.11	1,177.92
Cash and cash equivalents (Note 13)	384.70	1,389.79
Banks and other Cash and cash equivalents (Note 14)	1,139.88	737.84
Loans (Note 15)	1.26	1.08
Other Financial Assets (Note 16)	4.64	3.37
<u>Financial liabilities measured at amortized cost (at Level 3)</u>		
Trade payables (Note 22)	654.31	305.12
Other financial liabilities (Note 23)	92.47	102.85



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**41 Financial risk management objectives and policies**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) 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 does not have exposure to the risk of changes in market interest rates as the Company does not have long-term debt obligations outstanding as at balance sheet date and short term debt obligations are with fixed interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency). The risk is measured through monitoring the net exposure to various foreign currencies and the same is minimized to the extent possible.

**(a) Foreign currency risk exposure**

The Company's exposure to foreign currency risk at the end of the reporting period in INR, are as follows:

Currency	As at March 31, 2023		As at March 31, 2022	
	USD	EUR	USD	EUR
<b>Financial assets #</b>				
Trade receivables	3.47	138.40	3.20	46.91
Balances in EEFC Account	-	-	-	748.07
	<b>3.47</b>	<b>138.40</b>	<b>3.20</b>	<b>794.98</b>
<b>Financial liabilities</b>				
Trade payables #	11.43	275.92	10.54	0.84
	<b>11.43</b>	<b>275.92</b>	<b>10.54</b>	<b>0.84</b>
<b>Net exposure to foreign currency risk assets / (liabilities)</b>	<b>(7.95)</b>	<b>(137.52)</b>	<b>(7.34)</b>	<b>794.14</b>

# the foreign currency exposure hedged by the Company as at March 31, 2023 is Nil (March 31, 2022 - Nil)



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

### (b) Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and EURO exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a INR 1 change in foreign currency rates.

	Impact on profit before tax	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
USD		
- Increase by 1%	(0.08)	(0.07)
- Decrease by 1%	0.08	0.07
EUR		
- Increase by 1%	(1.38)	7.94
- Decrease by 1%	1.38	(7.94)

### (iii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds and equity shares. The price risk arises due to uncertainties about the future market values of these investments..

As at March 31, 2023, the investments in mutual funds amounts to Rs. 4,149.39 Lakhs (March 31, 2022: Rs. 2,315.51 Lakhs). These are exposed to price risk.

The Company has laid policies and guidelines which it adheres to in order to minimize price risk arising from investments in equity mutual funds.

1% increase in prices would have led to approximately an additional Rs. 41.49 lakhs gain in the Statement of Profit and Loss (2021-22: Rs.23.15 lakhs gain). 1% decrease in prices would have led to an equal but opposite effect.

### (B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

However, the credit risk arising on cash and cash equivalents is limited as the Company invest in deposits with banks and financial institution with credit ratings and strong repayment capacity. Investment in securities primarily include investment in liquid mutual funds units and equity shares.

#### Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	As at March 31, 2023	As at March 31, 2022
Not due	1,247.76	979.49
Past due 1-180 days	464.72	177.34
Past due for more than 180 days	152.20	205.74
	<b>1,864.68</b>	<b>1,362.57</b>

**Expected credit loss assessment**

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Movement of provision for doubtful debts:

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	184.65	104.95
Amount provided / (reversed) during the year (net of reversal)	(22.91)	81.40
Amounts written off	(0.17)	(1.70)
<b>Balance at the end of the year</b>	<b>161.57</b>	<b>184.65</b>

**Cash and cash equivalent**

As at the year end, the Company held cash and cash equivalents Rs. 384.70 Lakhs [March 31, 2022 - Rs. 1,389.79 Lakhs]. The cash and cash equivalents are held with banks with good credit rating.

**Other bank balances**

Other bank balances are held with banks with good credit rating.

**Investments**

The Company limits its exposure to credit risk by generally investing in liquid mutual funds and securities of counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties.

**Other financial assets**

Other financial assets are neither past due nor impaired.

**(C) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and liquid mutual funds with appropriate maturities to optimize the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

### Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

	Carrying amount	Upto 1 year	Between 1 and 5 years	More than 5 years	Total
<b>As at March 31, 2023</b>					
Trade payables	654.31	622.34	31.97	-	654.31
Other financial liabilities	92.47	92.47	-	-	92.47
	<b>746.78</b>	<b>714.81</b>	<b>31.97</b>	-	<b>746.78</b>
<b>As at March 31, 2022</b>					
Trade payables	305.12	274.56	30.56	-	305.12
Other financial liabilities	102.85	102.85	-	-	102.85
	<b>407.97</b>	<b>377.41</b>	<b>30.56</b>	-	<b>407.97</b>

### 42 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowings. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		As at March 31, 2023	As at March 31, 2022
Total equity	(i)	10,167.61	8,188.11
Borrowings other than convertible preference shares		-	-
Less: cash and cash equivalents		384.70	1,389.79
Net debt	(ii)	(384.70)	(1,389.79)
Overall financing	(iii) = (i) + (ii)	9,782.91	6,798.32
Gearing ratio	(ii)/ (iii)	0.00%	0.00%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

### 43 Provisions

#### Warranties/ recoating

The Company offers warranties for one of the critical parts of certain electro chlorinators and for some of its coating / recoating services and supplies for an initial period of two years followed by support contracts for a period of four years in the case of electro chlorinators and for a period of six years in the case of coating, eight years in case of recoating services during which period amounts are recoverable from the customers based on pre-defined



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

terms. Estimated costs from warranty terms standard to the deliverable are recognised when revenue is recorded for the related deliverable. The Company estimates its warranty costs standard to the deliverable based on historical warranty claim experience and applies this estimate to the revenue stream for deliverables under warranty. Future costs for warranties applicable to revenue recognised in the current period are charged to the revenue account.

The warranty accrual is reviewed periodically to verify that it properly reflects the remaining obligation based on the anticipated expenditures over the balance of the obligation period. Adjustments are made when the actual warranty claim experience differs from estimates. Provisions include estimated costs of support maintenance contracts to the extent such estimated costs are expected to exceed the expected recovery during the obligation period. No assets are recognised in respect of the expected recovery on support contracts.

Factors that could impact the estimated claim information include the Company's productivity, costs of materials, power and labour and the actual recoveries on support contracts.

The movement in the provision for warranties/ recoating are summarised as under :

	As at March 31, 2023	As at March 31, 2022
Opening carrying amount	133.79	67.00
Additional provision during the year	-	66.79
Unused amounts reversed during the year	63.00	-
Closing carrying amount	70.79	133.79

#### 44 Contingencies and Commitments

	As at March 31, 2023	As at March 31, 2022
Contingent liabilities		
Bank Guarantees	96.86	46.60
<b>Commitments</b>		
Estimated net amount of contracts remaining to be executed on capital account, not provided for	<b>30.38</b>	<b>202.49</b>

#### 45 Remittance of Dividend to Non Resident Shareholders

Particulars	March 31, 2023	March 31, 2022
Period to which it relates to	Final dividend for the year ended March 31, 2022	Final dividend for the year ended March 31, 2021
Number of non-resident shareholder	2	1
Number of equity shares held on which dividend was due	28,49,900	28,49,900
Gross dividend	28.50	28.50
TDS deducted	5.93	5.93
Amount remitted	22.57	22.57
Amount remitted (In EURO)	35,305.41	32,730.30
Amount remitted (In CAD)	6.71	-



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**46 Ratios**

S No.	Ratio	March 31, 2023		March 31, 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	March 31, 2023	March 31, 2022		
(a)	Current Ratio	10,335.27	1,357.95	8,299.90	1,175.92	7.61	7.06	8%	-
(b)	Debt-Equity Ratio	-	10,167.61	-	8,188.11	-	-	0%	Not applicable as the company is debt free.
(c)	Debt Service Coverage Ratio	-	-	-	-	-	-	0%	Not applicable as the company is debt free.
(d)	Return on Equity Ratio	2,032.59	530.86	1,543.61	530.86	3.83	2.91	32%	Improvement in business volume resulting in better returns on shareholder's Equity.
(e)	Inventory Turnover Ratio	2,631.55	2,623.35	3,016.87	2,162.85	1.00	1.39	-28%	Improvement in business volume resulting in better cost of sales.
(f)	Trade Receivables Turnover Ratio	7,358.02	1,440.52	7,416.65	1,134.27	5.11	6.54	-22%	-
(g)	Trade Payables Turnover Ratio	3,240.65	479.72	3,583.38	319.48	6.76	11.22	-40%	Previous year creditors were discharged well in time vis-à-vis net purchases.
(h)	Net Capital Turnover Ratio	7,743.54	8,977.32	7,512.50	7,123.98	0.86	1.05	-18%	-
(i)	Net Profit Ratio	2,032.59	7,358.02	1,543.61	7,416.65	0.28	0.21	33%	Increase in profit on account of improvement in margin on revenue.
(j)	Return on Capital Employed	2,716.60	10,208.05	2,110.70	8,188.11	0.27	0.26	3%	-
(k)	Return on Investment	2,032.59	10,167.61	1,543.61	8,188.11	0.20	0.19	6%	-





**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**47 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 profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are Listed in Table D below. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

<b>A</b>	<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Gross Amount required to be spent as per Section 135 of the Act	25.87	13.23
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	<b>25.87</b>	<b>13.23</b>
<b>B</b>	Amount approved by the Board to be spent during the year	25.88	13.25
<b>C</b>	<b>Amount spent during the year on</b>		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	25.88	13.25

**D Details related to amount spent/ unspent**

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Support to school for education of students from economically poor background	2.90	0.57
Support to Govt Hospital (Medical Equipments)	-	10.75
Support to School/Institutes for Edu. & Health care of differently abled students	4.96	1.93
Support to Palliative Care Centre's health care facility by providing equipments	9.19	-
Support for education of visually impaired Children	8.83	-
<b>Accrual towards unspent obligations in relation to:</b>		
Ongoing projects	-	-
Other than Ongoing projects	-	-
<b>TOTAL</b>	<b>25.88</b>	<b>13.25</b>

**E Details of ongoing CSR projects**

<b>Nature of Project</b>	<b>Balance as at April 01, 2022</b>		<b>Amount required to be spent during the year</b>	<b>Amount spent during the year</b>		<b>Balance as at March 31, 2023</b>	
	<b>With the Company</b>	<b>In Separate CSR Unspent Account</b>		<b>From the Company's Account</b>	<b>From separate CSR Unspent Account</b>	<b>With the Company</b>	<b>In Separate CSR Unspent Account</b>
NIL	-	-	-	-	-	-	-

<b>Nature of Project</b>	<b>Balance as at April 01, 2021</b>		<b>Amount required to be spent during the year</b>	<b>Amount spent during the year</b>	<b>From separate CSR Unspent Account</b>	<b>Balance as at March 31, 2022</b>	
	<b>With the Company</b>	<b>In Separate CSR Unspent Account</b>				<b>With the Company</b>	<b>In Separate CSR Unspent Account</b>
NIL	-	-	-	-	-	-	-



**Notes forming part of the Financial Statements for the year ended March 31, 2023**

[Amount in Rs. Lakhs, unless otherwise stated]

**F Details of CSR expenditure in respect of other than ongoing projects**

Nature of Activity	Balance unspent as at April 01, 2022	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2023
Support to school for education of students from economically poor background	-	-	2.90	2.90	-
Support for education of visually impaired Children	-	-	8.83	8.83	-
Support to Palliative Care Centre's health care facility by providing equipments	-	-	9.19	9.19	-
Support to School/Institutes for Edu. & Health care of differently abled students	-	-	4.96	4.96	-

Nature of Activity	Balance unspent as at April 01, 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2022
Support to school for education of students from economically poor background	-	-	0.57	0.57	-
Support to School/Institutes for Edu. & Health care of differently abled students	-	-	1.93	1.93	-
Support to Govt Hospital (Medical Equipments)	-	-	10.75	10.75	-

**G Details of excess CSR expenditure**

Nature of Activity	Balance excess as at April 01, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2022
NIL	-	-	-	-

**H Contribution to Related Parties/ CSR Expenditure incurred with Related Parties**

Name	Nature of Relationship	March 31, 2023	March 31, 2022
NIL	-	-	-

**I Disclosures on Shortfall**

Particulars	March 31, 2023	March 31, 2022
Amount Required to be spent by the Company during the year	25.87	13.23
Actual Amount Spent by the Company during the year	25.88	13.25
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	----	----



## Notes forming part of the Financial Statements for the year ended March 31, 2023

[Amount in Rs. Lakhs, unless otherwise stated]

48 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### 49 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (and previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### 50 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

### 51 Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiarie.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

### 53 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### 54 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

55 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

56 The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

57 Previous year figures have been regrouped/ reclassified to confirm to the presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration No.:105047W

**Anup Mundhra**

Partner

Membership No: 061083

For and on behalf of the Board of Directors

**De Nora India Limited**

CIN: L31200GA1993PLC001335

**Vinay Chopra**

Managing Director

DIN : 06543610

**Deepak Nagvekar**

Chief Financial Officer

**Purushottam S. Mantri**

Director

DIN : 06785989

**Shrikant Pai**

Company Secretary

ICSI Membership No: 40001

Place : Kundaim, Goa

Date : May 04, 2023

Place : Kundaim, Goa

Date : May 04, 2023



# DE NORA INDIA LIMITED

(CIN – L31200GA1993PLC001335)

Registered Office: Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115

Email: [info.dni@denora.com](mailto:info.dni@denora.com); Website: [india.denora.com](http://india.denora.com);

Phone: 91-832-6731100

## ATTENDANCE SLIP

(Please hand over at the entrance of the meeting duly completed and signed)

### 34<sup>th</sup> ANNUAL GENERAL MEETING – 12<sup>th</sup> SEPTEMBER 2023

Folio No. / D.P ID & Client Id	
Name and Address of the Shareholder/ Proxy/Authorised Representative	
No. of shares held	

I certify that I am a registered Member/proxy for the registered shareholder of the Company.

I hereby record my presence at the 34<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Tuesday, 12<sup>th</sup> September 2023 at 11.00 a.m. at the Registered Office of the Company situated at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115.

\_\_\_\_\_  
Signature of Shareholder/Proxy/Authorised



# DE NORA INDIA LIMITED

(CIN – L31200GA1993PLC001335)

Registered Office: Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115

Email: [info.dni@denora.com](mailto:info.dni@denora.com); Website: [india.denora.com](http://india.denora.com);

Phone: 91-832-6731100

## PROXY FORM (Form No. MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):		E-mail ID:	
Registered Address:		Folio No./Client ID:	
		DP ID:	

I/We, being the member (s) of \_\_\_\_\_ shares of De Nora India Limited, hereby appoint:

1	Name: E-mail Id: Address: or failing him/ her	Signature:
2	Name: E-mail Id: Address: or failing him/ her	Signature:
3	Name: E-mail Id: Address:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on **Tuesday 12<sup>th</sup> September 2023 at 11.00 a.m.** at the Registered Office of the Company situated at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403 115 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolution	For	Against
	<b>Ordinary Resolution</b>		
1.	Adoption of Audited Financial Statements for the Financial Year 2022-23		
2.	Declaration of dividend on Equity Shares		
3.	Appointment of Mr. Francesco L'Abbate (DIN: 08063332) as a director liable to retire by rotation		
4.	Appointment of the Statutory Auditors of the Company		
	<b>Special Resolution</b>		
5.	Appointment of Ms. Lalita Correia Afonso (DIN: 07986827) as an Independent Director		
6.	Re-appointment of Ms. Supriya Banerji (DIN:05209284) as an Independent Director for a Second Term of 5 (five) consecutive years		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

#### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing proxy does not prevent a member from attending in person, if he so wishes.



*If undelivered, please return to :*

**DE NORA INDIA LIMITED**

Registered Office and Works:

Plot Nos. 184, 185 & 189, Kundaim Industrial Estate  
kundaim, Goa - 403 115.