

DE NORA INDIA LIMITED



ANNUAL REPORT 2023-24



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BANKERS BANK OF BARODA		REGISTRAR & TRANSFER AGENT 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: info@bigshareonline.com Website: www.bigshareonline.com	
STATUTORY AUDITORS M/s. Price Waterhouse Chartered Accountants LLP ICAI Firm Registration No. 012754N/N500016 7th Floor, Tower A - Wing 1, 'Business Bay' Airport Road, Yerwada Pune - 411006			



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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; Website: <https://india.denora.com>

NOTICE is hereby given that the 35th (Thirty Fifth) ANNUAL GENERAL MEETING ('AGM') of the Members of DE NORA INDIA LIMITED ('the Company') will be held on Wednesday, September 25, 2024 at 11.00 A.M. (IST) through Video Conference ('VC') / Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2024

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, the Reports of the Board of Directors and Auditors thereon as circulated to the Members and laid before the Meeting be considered, received and adopted."

2. Declaration of Dividend on equity shares

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT a Dividend of ₹ 2/- (i.e. 20%) per equity share of face value of ₹ 10/- each, of the Company, be and is hereby declared for the Financial Year ended March 31, 2024, and that the same be paid as recommended by the Board of Directors, out of the profits of the Company for the Financial Year ended March 31, 2024."

3. Re-appointment of Mr. Robert Scannell (DIN: 06818489) who retires by rotation, as a Director

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Robert Scannell (DIN: 06818489) who retires by rotation from the Board of Directors of the Company in terms of Section 152(6) of the Companies Act, 2013, at this Annual General Meeting and has offered himself for reappointment, be and is hereby reappointed as Non-executive, Non-Independent Director of the Company."

SPECIAL BUSINESS

4. Approval for Material Related Party Transactions with Industrie De Nora S.p.A., Italy

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time and applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force), read with the Company's Related Party Transactions Policy, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for entering into and / or carrying out and / or continue with the contracts / arrangements/ transactions (whether individually or series of transaction(s) taken together or otherwise) falling within the definition of 'Related Party Transaction' under Regulation 2(1)(zc) of the Listing Regulations with its ultimate holding company, Industrie De Nora S.p.A., Italy, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, for an amount not exceeding in aggregate ₹ 950 Lakhs (Rupees Nine Hundred Fifty Lakhs Only) for the Financial Year 2024-25, on such terms and conditions as may be considered appropriate by the Board of Directors, provided however, that the said contracts/arrangements/ transactions shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to delegate all or any of the powers conferred on it to any Committee of Directors and / or Managing Director of the Company and do all such acts, deeds, matters and things and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and for matters connected therewith or incidental thereto."

5. Adoption of new set of Articles of Association ("AoA") of the Company in accordance with the Companies Act, 2013

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the



Companies Act, 2013 and the rules made thereunder (including any statutory modification(s), amendments thereto or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to the alteration of the existing Articles of Association of the Company by adoption of a new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the Company.

RESOLVED FURTHER that the Board be and is hereby authorised to take such steps and do all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider necessary or desirable to give effect to this resolution.”

6. Re-appointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director and payment of remuneration to him

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), and the rules made thereunder (including any amendments thereto or statutory modifications or re-enactments thereof for the time being in force), and based on the recommendation of the Nomination & Remuneration Committee ("NRC") and the Board of Directors, the approval of the Shareholders of the Company be and is hereby accorded for the re-appointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director of the Company for a further period of 3 (three) years with effect from July 16, 2025, to July 15, 2028, on the terms and conditions and remuneration, including the minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his tenure as Managing Director of the Company, as set out in the explanatory statement annexed hereto, with liberty to the Board/NRC to alter and vary the terms of the said re-appointment including remuneration, as may be agreed between the Board/NRC and Mr. Vinay Chopra, subject to the overall ceiling on remuneration of ₹ 120 Lakhs (Rupees One Hundred and Twenty Lakhs only) per annum, notwithstanding that such remuneration may exceed the limits specified in Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT, to give effect to this resolution, the Board be and is hereby authorized to do all acts, deeds, matters, and things, including filings and executing all such agreements, documents, instruments, and writings as may be required or deemed necessary, proper, or desirable with regard

to the said re-appointment and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid and matters incidental thereto.”

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

Place: Kundaim, Goa
Date: August 12, 2024

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

NOTES:

1. The Ministry of Corporate Affairs ('MCA') vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) till September 30, 2024, without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its circulars dated May 12, 2020, and subsequent circulars issued in this regard, the latest being October 7, 2023 ('SEBI Circulars') has granted the relaxation in respect of sending physical copies of annual report to members till September 30, 2024.

In compliance with the MCA Circulars and SEBI Circulars, the provisions of the Act and the SEBI Listing Regulations, the 35th AGM is being conducted through VC/OAVM. The Registered Office of the Company shall be the deemed to be the venue of the AGM.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS**



HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. **Authorization u/s 113 of the Act by Institutional Shareholders:** Institutional / Corporate Shareholders (i.e., other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of Certified True Copy of Board Resolution / Authorization etc, in pursuance of Section 113 of the Companies Act, 2013 authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said resolution/authorization shall be sent to the scrutinizer by e-mail through its registered e-mail address to rakhi1418@gmail.com with a copy marked to the Company at info.dni@denora.com.
5. 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. The Board of Directors have considered and decided to include Item No. 4, 5 and 6 as given above, as Special Business in the forthcoming AGM as they are unavoidable in nature. Brief resume and other requisite details about the Directors proposed to be reappointed, is annexed hereto in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 (SS-2) on General Meetings. Requisite declarations have been received from the Directors seeking re-appointment.
6. **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 e-voting to all Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
7. All relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are available for inspection through electronic mode up to the date of AGM, on the basis of request being sent to dni.secretarial@denora.com. During the AGM, 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 in electronic mode. Members can send an e-mail to dni.secretarial@denora.com requesting for inspection of register.
8. **Dispatch of Annual Report through E-mail:** In compliance with the Circulars issued by MCA and SEBI, the Annual Report including the Notice of AGM for FY 2023-24 are being sent through electronic mode to all the Members whose e-mail addresses are registered with the Company or the Depository Participant(s) ("DP"). The Company shall send a physical copy of the Annual Report to those Members who specifically request for the same at info.dni@denora.com mentioning their Folio No. / DP ID and Client ID.

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 any changes thereto from time to time, with their DP (for shareholders who hold shares in dematerialized form) and with the RTA (for those who hold shares in physical form) to enable us to send communications via email.
9. The Notice calling the AGM along with Annual report 2023-24 will be available on the website of the Company at <https://india.denora.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL i.e., www.evotingindia.com.
10. **Book closure:** The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, September 19, 2024, to Wednesday, September 25, 2024 (both days inclusive).
11. **Cut-off date for Remote e-voting:** The Company has fixed Wednesday, September 18, 2024, 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., Wednesday, September 18, 2024, 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.



12. Transfer of shares permitted in Demat form only:

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of this, in order to eliminate all risks associated with physical shares, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact the Company's RTA, Bigshare Services Private Ltd. for assistance in this regard.

13. Members may please note that SEBI vide its Circular dated January 25, 2022, has mandated the Listed Companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/ Exchange of securities certificate, Endorsement, Sub-division/ Splitting of securities certificate, Consolidation of securities certificates/ folios, Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4 and ISR-5, as the case may be, the format of which is available on the website of the Company at <https://india.denora.com/investors/shareholder-information.html> and on the website of the RTA at <https://bigshareonline.com/Resources.aspx>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

14. **Updation of PAN, KYC, Nomination and details:** SEBI vide its Master Circular dated May 17, 2023, and subsequent notifications thereto, has made it mandatory for the holders of physical securities to furnish details of PAN, KYC (Postal address, Mobile Number, E-mail, Bank details, Signature) and nomination / opt-out of nomination to the Company's RTA.

In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest to the Registrar & Share Transfer Agents of the Company (RTA) 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. The relevant forms are available on the Company's website at <https://india.denora.com/investors/shareholder-information.html> and on the website of the RTA at <https://www.bigshareonline.com/Resources.aspx>. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.

Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their name, address, residential status, telephone/ mobile

number, PAN, bank details, nomination, power of attorney, etc., to their respective Depository Participant (DP). 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.

15. **Online processing of Investor Service Requests by RTA:** Members are requested to note that, pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/ CIR/2023/72 dated June 8, 2023, the RTA of the Company has created an online mechanism/portal for processing investor service requests and complaints. This portal can be accessed at <https://iconnect.bigshareonline.com/Account/Login>. Upon successful registration on the portal, investors will be able to view their holdings, lodge service requests/complaints, and track the status of the service requests/complaints lodged.

16. **Dividend:** Dividend as recommended by the Board for the Financial Year ended March 31, 2024, if approved at the AGM, will be paid within thirty days from the date of declaration 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 Wednesday, September 18, 2024 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.

Members holding shares in physical/demat form are hereby informed that bank particulars registered with the RTA or their respective Depository Participants (DPs), with whom they maintain their Demat accounts, will be used by the Company for the remittance of dividend.

Members holding shares in Demat form are requested to ensure that their electronic bank mandate details are updated with their respective DPs, as the Company or its Registrar and Share Transfer Agent cannot act on any request received directly on the same. The Members holding shares in Demat form who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration/incomplete registration of Bank details, the Company shall dispatch the demand draft to such Members.

17. **Payment of Dividend through Electronic mode only for physical folios:** SEBI has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. In view



of the same, shareholders holding shares in physical form are requested to furnish valid PAN, KYC details and Nomination immediately to Company's RTA in the prescribed forms (available on the Website of the Company) to avail uninterrupted service request as well as dividend credit in bank account, as no dividend will be paid to physical shareholders by way of issuance of physical warrant with effect from April 01, 2024.

Members holding shares in physical form who are non-KYC compliant may please note that the payment of dividend will be held in abeyance till such time the Member submits the required information in prescribed forms along with the supporting documents.

18. **TDS on Divided:** Pursuant to Finance Act 2020, dividend income will be taxable in the hands of members w.e.f. April 1, 2020, and the Company is required to deduct tax at source ("TDS") from dividend paid to members at the rates prescribed in the Income-Tax Act, 1961 (the IT Act). For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their Residential Status, PAN and category as per the IT Act with the Company/RTA (in case of shares held in physical mode) and Depositories Participants (in case of shares held in demat mode).

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, 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 individuals aged 60 years or more), subject to conditions specified in the IT Act. 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.
- Electronic Form 10F as per notification no. 03/2022 dated July 16, 2022 issued by the Central Board of Direct Tax.
- 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. 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. 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. The Company reserves the right to reject the documents in case of any discrepancies or the documents are found to be incomplete.

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 or to the Company at info.dni@denora.com by Monday, September 23, 2024. Any communication in relation to tax rate determination/deduction received after the said date shall not be considered.

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. 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. 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 from the date of transfer to Unpaid Dividend Account of the Company, 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 March 31, 2016, amounting to ₹ 3,18,692/- was transferred by the Company to the IEPF established by the Government of India. During the year the Company has also transferred ₹ 97,501/- 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, 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
March 31, 2023	September 12, 2023	October 15, 2030

Any Member, who has not claimed dividend in respect of the aforesaid financial years, is requested to approach the Company/RTA 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. The details of unclaimed dividend to be transferred to IEPF is available on the website of the Company at <https://india.denora.com/investors/shareholder-information.html>.

20. 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 view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.



In accordance with IEPF Rules, during the year under review 5,543 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., <https://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 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.

21. **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 who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to Company’s Registrar & Transfer Agent (RTA) i.e., M/s. Bigshare Services Private Limited in case the shares are held in physical form and to their Depository Participants (‘DP’) in case the shares are held by them in dematerialized form.

SEBI vide its Circulars dated July 31, 2023, and August 4, 2023, read with Master Circular dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the

investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

22. 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. 26 and 27 below for obtaining login credentials. Any shareholder holding shares in physical form or non-individual shareholder who acquire shares of the Company after dispatch of the Notice and becomes the member as on cut-off date, may obtain the login credentials by sending a request at helpdesk.evoting@cdslindia.com or investors@bigshareonline.com.
23. 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.
24. The Scrutinizer shall after the conclusion of e-voting at the AGM, unblock the votes cast through e-voting 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 Chairperson or a person authorized by her 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.
25. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website <https://india.denora.com> and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairperson or a person authorized by her in writing and shall also be communicated to National Stock Exchange of India Limited, Mumbai & BSE Limited, Mumbai.
- 26. INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING THE VIRTUAL MEETING ARE AS UNDER:**
- (i) The voting period begins on Sunday, September 22, 2024, at 9:00 a.m. (IST) and ends on Tuesday, September 24, 2024, at 5:00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e., Wednesday, September 18, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) 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.

Step 1 : Access through Depositories CDSL / NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode 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"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



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: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. 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 or joining virtual meeting & voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 or joining virtual meeting & voting during the meeting.</p>
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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 or joining virtual meeting & voting during the meeting.
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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 helpdesk.evoting@cdslindia.com 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 evoting@nsdl.co.in or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and nonindividual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

The shareholders should log on to the e-voting website 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 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:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *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 OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login. • 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..

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the “DE NORA INDIA LIMITED”.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Facility for Non – Individual Shareholders and Custodians – For Remote e-voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- The list of accounts linked in the login 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 and to the Company at the email address viz 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.

27. Instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. The Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to

atleast 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. Shareholders are encouraged to submit their questions well in advance for smooth conduct of the AGM from their registered email ID, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email ID at info.dni@denora.com before 5:00 p.m. (IST) on Friday, September 20, 2024. The same will be replied by the Company suitably.
 9. Shareholders who would like to express their views / ask questions during the AGM may register themselves as a speaker, by sending request from their registered email address mentioning name, DP ID and Client ID/folio no., and mobile no. at info.dni@denora.com upto 5.00 p.m. (IST) on Friday, September 20, 2024. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
 10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- 28. 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 /RTA at info@bigshareonline.com.

- (ii) **For Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP).
- (ii) **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 & joining virtual meetings through Depository.

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

- 29. 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 or call at toll free no. 1800 22 55 33.

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the special business mentioned at Item No. 4, 5 and 6 of the accompanying Notice dated August 12, 2024:

ITEM NO. 4 - APPROVAL FOR MATERIAL RELATED PARTY TRANSACTIONS WITH INDUSTRIE DE NORA S.P.A., ITALY

1. Background

- 1.1 De Nora group of companies comprises Industrie De Nora S.p.A. (“IDN”), an entity existing under the laws of Italy, having its registered office at Via Leonardo Bistolfi, 35, 20134 Milan, Italy and its roughly 24 operating subsidiaries in 10 countries and 5 research and development centers in Italy, the United States, and Japan, which ensure the continuous improvement and enlargement of its proprietary technologies covered by more than 280 patent families with over 2,800 territorial extensions. With its widespread presence and broad product portfolio, De Nora Group can effectively serve customers in 100 countries, employing more than 2,000 people worldwide. The De Nora Group specializes in electrochemistry, sustainable technologies, and also plays a key role in Green Economy. De Nora Group is also the world's largest supplier of high-performing catalytic coatings and insoluble electrodes for electrochemical and industrial applications, a leading provider of equipment, systems, disinfection, and filtration solutions for water and wastewater treatment.
- 1.2 IDN is the ultimate parent entity of the Company and is a ‘related party’ within the meaning of Section 2(76) of the Companies Act 2013 read with Regulation 2(1)(zb) of the Listing Regulations.
- 1.3 As part of its ongoing transactions, and in the ordinary course of business, the Company avails services in the nature of marketing & business development, global and central marketing & business development, global and central procurement, information and communication technology, etc. and proprietary technology and intellectual property from IDN for the effective conduct of business activities of the Company. To sustain quality standards, quantitative benefits, ease of customer reach, global representation and in the best interest of the Company and its shareholders, transactions of the Company pertaining to sale, purchase or supply of services have been undertaken since long with IDN.



- 1.4 The details of actual transactions of the Company with IDN during past financial year 2023-24 are as under:

(Amount in INR Lakhs)

Particulars	Actual value of transactions with IDN for FY 2023-2024
Services and intangible assets such as software applications availed from IDN	458.10
Intellectual property and proprietary technology licensed from IDN	223.31
TOTAL	681.41

2. **Particulars of transactions of the Company with IDN**

2.1 **Services and intangible assets such as software applications availed from IDN:** To

address emerging needs, improve operational efficiency, and strengthen the overall effectiveness of the Company, IDN provides various inter-company support services to the Company which includes business support services critical to the Company's day-to-day operations, including marketing, ICT, human resources, finance, tax, legal, software applications and other services activities.

2.1.1. Benefits to the Company's business

- (a) **Efficiency gains:** By leveraging the expertise and resources of IDN, the Company is able to streamline processes and improve the efficiency of its day-by-day operations. The services provided by IDN are customized to meet the specific needs and requirements of the Company. This ensures that the Company receives services that are aligned with its unique business objectives and operational processes.
- (b) **Quality assurance:** As part of the same group, IDN is typically invested in maintaining high quality standards. This translates into reliable and consistent service delivery for the Company, ensuring that its operations run smoothly and efficiently.

2.2 **Intellectual Property and proprietary technology licensed from IDN**

2.2.1 **Background**

- (a) Since 2014, the Company is a party, as a licensee, of an intellectual property license agreement ("**Original**

Agreement") with IDN. Under this Original Agreement, IDN provides the Company with access to its proprietary technology and intellectual property, enabling the Company to exploit these assets in the manufacturing of coated electrodes and components used in chlor-alkali cell technology, electro-chlorination systems, cathodic protection systems and chlorate production.

- (b) The Original Agreement, which was set to expire on April 30, 2024, has been extended by amendments agreed by the parties until December 31, 2024, pending discussion and negotiation of the terms of the Proposed Agreement (as defined below).
- (c) The Original Agreement dated May 1, 2014, (including the amendments thereto), granted the Company a royalty bearing license to use IDN's technology for its business for an original period of 10 years. In consideration of the granted license, royalty at the rate of 3.5% of net ex-factory sales price was payable by the Company to IDN. Ex-factory sales price refers to the net invoice amount of the products manufactured and sold by using IDN's technology excluding freight, insurance, tax and duties (if any) levied on the products. In view of said agreement expiring with efflux of time, IDN had proposed a review of the Original Agreement.

2.2.2 **The Proposed Agreement and the new royalty mechanism**

- (a) The proposed agreement to be entered between IDN and the Company ("**Proposed Agreement**"), which supersedes the Original Agreement, ensures that the Company continues to have access to IDN's valuable intellectual property for the manufacturing of coated electrodes and components used in chlor-alkali cell technology, electro-chlorination systems, cathodic protection systems and chlorate production. This access maintains the Company's competitive advantage and supports its ongoing operational and strategic objectives. The Proposed Agreement will come into effect on and from January 1, 2025, and will continue for a period of four years till December 31, 2028.



(b) Specifically, the Proposed Agreement sets out the royalty rate structure as follows:

1. **fixed royalty:** a fixed royalty of 0.5% of net sales for the grant of the 'De Nora' trademarks, payable by the Company regardless of its profitability.
2. **variable royalty:** a variable royalty of up to 9.5% of net sales for the use of IDN's technology and intellectual property (excluding trademarks), depending on the Company's profitability. Specifically, the conditions for the Company to pay the variable royalty are:

(i) **minimum operating profitability (i.e., EBIT)**, referred to as "Routine Profit": The Company must achieve a Routine Profit initially set at 12.3% of net sales. This Routine Profit is based on the arm's length operating profitability of comparable Indian companies without intellectual property, as determined by an India specific benchmark analysis.

(ii) **if the Company's actual pre-royalty operating margin is below of the Routine Profit** the variable royalty rate will be 0%. Consequently, the Company will only pay the fixed royalty of 0.5% of net sales for 'De Nora' trademarks.

(iii) **if the Company's actual pre-royalty operating margin is between 12.3% and 21.8%** (i.e., 12.3% plus 9.5%), the variable royalty rate will be the difference between the actual pre-royalty operating margin and the Routine Profit of 12.3%. In this scenario, the Company will pay the variable royalty proportional to the actual pre-royalty operating margin up to a maximum of 9.5%, in addition to the fixed royalty of 0.5% for 'De Nora' trademarks.

(iv) **if the Company's actual pre-royalty operating margin equals or exceeds 21.8%**, the Company will pay the maximum variable royalty of 9.5% in addition to the fixed royalty of 0.5% for 'De Nora' trademarks.

For simplicity, Routine Profit is expressed as a percentage of net sales.

2.2.3 Rationale for royalty rate increase

The rationale for increasing the royalty rate can be summarized as follows:

(a) **Enhanced value from IDN's licensed intellectual property**

Since the inception of the Original Agreement, IDN's licensed intellectual property has undergone significant improvements/developments that have added significant value. These improvements have provided the Company with a significant competitive advantage enabling it to manufacture more competitive and higher quality products, streamline their manufacturing processes and reduce operating costs. As a result, the Company has been able to capture greater market share, increase sales and improve their overall profitability.

The increased royalty rate is therefore essential to support IDN's ongoing investment in research and development (R&D). These investments are critical to maintaining and enhancing De Nora Group's intellectual property to ensure that it continues to provide significant value to its licensees, including the Company.

(b) **Key Benefits for the Company**

The increased royalty rate ensures continued access to IDN's leading-edge technology, which is critical to maintaining a competitive edge in the marketplace. This technology offers advanced features that are essential to staying ahead of the competition, including state-of-the-art features that enhance the overall functionality and performance of the Company's products. By leveraging these advanced capabilities, the Company can produce higher quality products that meet the evolving demands of their customers, thereby enhancing their market reputation and customer satisfaction.

Moreover, the Proposed Agreement will allow the Company to sell its products outside India. This expanded territory means that the Company may access



international markets, increasing its global reach and potential for increased revenues. By leveraging this territorial expansion, the Company may diversify its customer base, mitigate regional risks and establish a global presence.

3. Estimated value of related party transactions

The estimated value of related party transactions for the Financial Year 2024-25 between the Company and IDN are as under:

Particulars	Estimated value of transactions with IDN for the Financial Year 2024-25 (INR in Lakhs)
Services, capital goods and intangible assets such as software applications availed from IDN	550
Intellectual property and proprietary technology licensed from IDN	400
TOTAL	950

4. Approval sought from the shareholders of the Company

As per the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”) a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. All material related party transactions shall require prior approval of the shareholders, even if the transactions are in the ordinary course of business and at an arm’s length basis.

Further, Regulation 23(1A) of the Listing Regulations provides that transactions involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

The Audit Committee has reviewed and approved, the Proposed Agreement, recommending it to the Board of Directors. Following the Audit Committee’s recommendation, the Board of Directors, in its meeting

held on August 12, 2024, approved the new Proposed Agreement, which stipulates a royalty payment as set out in paragraph 2.2.2 above, effective from January 1, 2025. The proposed royalty transactions under this new agreement will be undertaken on an ‘arms length’ basis and will be in compliance with Indian and international transfer pricing regulations and all other applicable laws, rules, regulations and guidance.

The transactions under the Proposed Agreement and the services availed by the Company from IDN have been essential for the Company to carry out its business operations and play a significant role in the Company’s business operations to maximise its growth and performance.

For the previous Financial Year 2023-24, the Company’s turnover was ₹ 7,379.62 Lakhs. The payment of royalty by the Company to IDN for the Financial Year 2024-25 is expected to exceed 5% of the turnover of the Company as per last audited financial statements of the Company. Also, it is estimated that the aggregate value of the transactions with IDN, after taking into account the Proposed Agreement, is likely to exceed 10% of the turnover of the Company as per last audited financial statements.

The maximum annual value of the proposed transactions with the related parties is estimated based on the Company’s current transactions with IDN and future business projections. Hence, approval under Regulation 23 of the Listing Regulations, by way of Resolution at a General Meeting is being sought from the Members.

Details of the proposed RPTs including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023, are as follows:

Sr. No.	Particulars	Remarks
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Industrie De Nora S.p.A., Italy (‘IDN’) IDN is the ultimate holding company of De Nora India Limited
2.	Type, material terms and particulars of the proposed transaction;	As per the details given in paragraphs 2 and 3 above.
3.	Tenure of the proposed Transaction	The shareholders’ approval will be valid for the Financial Year 2024-25.



4.	Value of the proposed transaction	Not exceeding INR 950 Lakhs for the Financial Year 2024-25. The upper limit mentioned is an enabling limit to help the business operate smoothly without interruption. Further segregation of this limit is as follows: Services, capital goods and intangible assets such as software applications availed from IDN: Not exceeding INR 550 Lakhs for the Financial Year 2024-25. Royalty payable towards intellectual property and technology licensed from IDN: Not exceeding INR 400 Lakhs for the Financial Year 2024-25.
5.	The percentage of the listed entity's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Approximately 13% of the Company's turnover as per the last audited financial statement of the Company i.e. FY 2023-24.
6.	Justification as to why the proposed RPT is in the interest of the listed entity	The transactions between the Company and IDN are in the interest of the business growth considering global contracts, access to market, access to technology, brand usage and technical support. These transactions are in the ordinary course of business and following arm's length principles within the framework of transfer pricing guidelines.

7.	Any valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Consistent with the royalty and benchmarking analysis undertaken by a chartered accountant firm ("Report"). This Report was further subjected to a fairness review by an independent registered valuer.
8.	Any other information that may be relevant	The Company is committed to the interests of its shareholders and has a proven track record of long-term value creation for its shareholders. All this has been achieved largely with the continued support of its parent IDN, which has also in turn delivered consistent returns for its shareholders. All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

The transaction shall also be reviewed/monitored by the Audit Committee of the Company and shall remain within the proposed limits as placed before the Shareholders. Any subsequent 'Material Modification' in the proposed transaction, as defined by the Audit Committee as a part of Company's Related Party Transactions Policy, shall be placed before the Shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.

The Audit Committee and the Board of Directors of the Company at their respective meetings held on August 12, 2024, have reviewed the requisite details of the transactions as set out at Item No. 4 and proposed the same to be placed before the Members for their approval. The Board recommends the Ordinary Resolution as set out at Item No. 4 of the notice for approval of the Members.

As per SEBI Listing Regulations, all related parties of the Company, including Promoters, entities forming part of Promoter Group, Directors and Key Managerial Personnel of the Company including their relatives



shall not vote to approve the resolution under Item No. 4 of the Notice.

Mr. Robert Scannell and Mr. Francesco L'Abbate being employees of the German subsidiary of IDN (De Nora Deutschland GmbH), a related party, are deemed to be interested in this resolution. Except them, none of the other Directors or the Key Managerial Personnel of the Company or any of their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

ITEM NO. 5 - ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION ("AOA") OF THE COMPANY IN ACCORDANCE WITH THE COMPANIES ACT, 2013

The Articles of Association ("AOA") of the Company as presently in force are based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA contain references to specific Sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Further several regulations / articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

Pursuant to Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company. The Board of Directors at the meeting held on August 12, 2024, has approved the adoption of new set of AOA of the Company, subject to the approval of the Members of the Company. The Board recommends the Special Resolution set forth in Item No. 5 of the Notice for approval of the Members.

The proposed new draft AOA is uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed set of new AOA of the Company would be available for inspection by the members on any working day upto and including the date of AGM.

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

ITEM NO. 6 - RE-APPOINTMENT OF MR. VINAY CHOPRA (DIN: 06543610) AS THE MANAGING DIRECTOR AND PAYMENT OF REMUNERATION TO HIM

The Members of the Company by way of Ordinary Resolution passed through Postal Ballot on May 15, 2022, had approved re-appointment of Mr. Vinay Chopra (DIN: 06543610) as the Managing Director of the Company for a period of three (3) years with effect from July 16, 2022, along with the terms and conditions. Further, Members of the Company at the 33rd AGM held on September 28, 2022, by way of special resolution, increased the limit of overall remuneration payable to Mr. Vinay Chopra, as set out in the explanatory statement to the Notice of the said AGM. The current term of Mr. Chopra as the Managing Director of the Company is due to expire on July 15, 2025.

Considering the qualification, long business experience, knowledge of various aspects relating to the Company's affairs, and performance evaluation, the Board of Directors ("the Board") based on the recommendation of Nomination and Remuneration Committee at its meeting held on August 12, 2024, has re-appointed Mr. Vinay Chopra for a further period of three (3) consecutive years with effect from July 16, 2025 upto July 15, 2028, upon the terms and conditions including remuneration payable as hereinafter indicated, subject to the approval of the Members of the Company.

The principal terms and conditions of re-appointment of Mr. Vinay Chopra as the Managing Director are as follows:

1. **Tenure of Re-appointment:** The appointment as the Managing Director is for three (3) consecutive years with effect from July 16, 2025, to July 15, 2028.
2. **Remuneration:**
 - 2.1 **Basic Salary:** ₹ 1,76,069/- (Rupees One Lakh Seventy Six Thousand Sixty Nine Only) per month with such annual increments which will be effective from 1st January each year, as may be approved by the Board every year based on the recommendation of the Nomination and Remuneration Committee.
 - 2.2 **Allowances:** ₹ 1,18,808/- (Rupees One Lakh Eighteen Thousand Eight Hundred Eight only) per month with such annual increments which will be effective from 1st January each year, as may be approved by the Board every year based on the recommendations of the Nomination and Remuneration Committee.
 - 2.3 **Performance related Incentives:** Such amount as may be considered appropriate from time to time and approved by the Board in its absolute discretion based on the recommendation of the Nomination and Remuneration Committee, for each financial year.
 - 2.4 **Other Allowances, Benefits / Perquisites**
In addition to Salary, Allowances and Performance Incentive, Mr. Chopra shall be entitled to the following perquisites in accordance with the Company's policies, practices and procedures:
 - a) **Medical Hospitalization Insurance:** A suitable medical insurance policy, covering hospitalization of Mr. Chopra and his family, whilst Mr. Chopra is in the employment of the Company, as per the Company policy.
 - b) **Telephone, internet connectivity and other communication facilities:** The Company shall provide a mobile phone to Mr. Chopra and shall also provide telephone, internet connectivity and other communication facilities at his residence. All the expenses incurred therefore shall be paid or reimbursed by the Company, as per the rules of the Company.



- c) Car Expenses: The Company shall provide a suitable vehicle for Mr. Chopra for business use. Fuel costs, repairs, maintenance and running expenses including driver's salary shall be borne / reimbursed by the Company.
- d) Personal Accident Insurance for Mr. Chopra as per the Rules of the Company.
- e) Leave Travel Allowance ('LTA'): Mr. Chopra shall be entitled to LTA applicable to him, being an employee of the Company, as per the existing rules. The entitlement for any one year to the extent not availed of shall be allowed to be accumulated up to next two Financial Years as per the Income Tax Act and Rules.
- f) Medical Reimbursement: Reimbursement of medical expenses, for self and family (within the country), at actuals, subject to limits as per the rules of the Company.
- g) Any other Special Allowance/benefit/perquisite as may be determined by the Board at its discretion from time to time on the recommendation of the Nomination & Remuneration Committee.

3. Retirement Benefits:

Company's contribution to Provident Fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Superannuation as per Company's policy, and Gratuity payable as per the rules of the Company for the time being in force.

Explanation:

- (a) Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable, and in absence of any such rule, perquisites shall be evaluated at actual cost.
- (b) The Company's contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure, shall not be included in the computation of the ceiling on remuneration as prescribed in Schedule V of the Companies Act, 2013, as amended from time to time.

4. Income-Tax:

Income Tax, if any, on the entire remuneration payable to Mr. Chopra shall be borne and paid by him and tax will be deducted at source as per applicable laws/rules.

5. Annual Leave:

Mr. Chopra shall be entitled to accumulated leave with full pay as per the rules of the Company. Accumulation/encashment of unavailed earned leave will be permissible in accordance with the Rules of the Company.

- 6. Minimum Remuneration:** Notwithstanding anything to the contrary contained herein, in any financial year during Mr. Chopra's tenure as Managing Director of the Company, if the Company has no profits or its profits are inadequate, the remuneration (consisting of all his fixed and variable pay) as detailed above, subject to such revisions as may be approved by the Board from time to time, shall be paid to him as minimum remuneration for that year, notwithstanding that such remuneration may exceed the limits specified in Section 197 and Schedule V of the Act.

- 7. Overall Remuneration:** Notwithstanding anything contained herein, it is expressly agreed and understood that the overall remuneration payable by the Company to Mr. Chopra, including salary, allowances and performance incentives as specified above, shall not exceed ₹ 120 Lakhs (Rupees One Hundred and Twenty Lakhs only) per annum, for any financial year during his tenure as Managing Director of the Company, notwithstanding that such remuneration may exceed the limits specified in Section 197 and Schedule V of the Act.

8. Other Terms and Conditions of Appointment:

- (a) Mr. Chopra undertakes to the best of his skill and ability to use his endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and such orders and directions as may from time to time be given to him by the Board of Directors of the Company.
- (b) The Managing Director will (i) have the general control of the business of the Company and be entrusted with the Management and day-to-day affairs of the Company as vested by the Power of Attorney granted by the Board of Directors (ii) have the authority to enter into contracts on behalf of the Company in the ordinary course of business (iii) have the authority to perform all other acts and things which in the ordinary course of business the Managing Director may consider necessary or proper in the best interests of the Company and (iv) the Managing Director shall be considered as a Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



- (c) The Managing Director will devote the whole of his time and attention to the business of the Company and shall not hold office in any other Company provided, however, he may with the prior approval of the Board hold Directorships in other companies and /or provide services to other group companies.
- (d) Mr. Chopra shall be entitled to be reimbursed by the Company all costs, charges and expenses as may be reasonably incurred by him for the purpose of or on behalf of the Company subject to such ceiling as may be decided by the Board on the recommendation of the Nomination & Remuneration Committee.
- (e) Mr. Chopra shall not during the continuance of his employment hereunder or at any time thereafter divulge, publish or disclose to any person whomsoever or make use whatsoever for his own purpose or for any other purpose other than that of the Company of any information, knowledge, methods, trade secrets or any confidential information relating to the business affairs or activities of the Company, obtained by him during his employment with the Company and shall, during the continuance of his employment, hereunder, use his best endeavor to prevent any other person from doing so.
- (f) The Company shall indemnify Mr. Chopra and keep him indemnified against all the costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including the legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of law, Arbitration etc.
- (g) Mr. Chopra shall disclose his interest in any company or companies or bodies corporate, firms or other associations of individuals and shall also disclose direct or indirect interest in any contract or arrangement entered into between the Company and such other company/ies, body corporate, firms or association of persons in the manner laid down in Section 184 of the Companies Act, 2013 and The Companies (Meetings of Board and its Powers) Rules, 2014. In the event of his failure to disclose his interest as aforesaid or if he acts in contravention of the provisions of Section 184, his office shall forthwith stand vacated.
- (h) The Managing Director is being appointed a Director of the Company by virtue of his employment in the Company. So long as Mr. Chopra continues to be in the employment of the Company, he will be a Director not liable to retire by rotation.
- (i) If at any time, Mr. Chopra ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Managing Director, in terms of this Agreement which shall forthwith stand terminated.
- (j) If at any time, Mr. Chopra ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be a Director of the Company.
- (k) All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Managing Director, unless specifically provided otherwise.
- (l) The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.
9. **Severance Terms:**
Notwithstanding anything to the contrary herein contained:
- a) the Company shall be entitled to terminate the Agreement at any time by giving Mr. Chopra not less than 3 (Three) months' notice in writing in that regard, without assigning any reason thereto, or upon payment to Mr. Chopra of the basic salary payable to him for a period of 3 (Three) months in lieu of such notice.
- b) Mr. Chopra shall be entitled to terminate the Agreement at any time by giving to the Company not less than 3 (Three) months' notice in writing in that regard, without assigning any reason to the Company.
- c) The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:
- (i) if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any associated company to which he is required to render services; or
- (ii) in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in this Agreement.
- Upon the termination by whatever means of the Managing Director's employment, the Managing Director shall not without the consent of the Company, at any time thereafter represent himself as connected with the Company or any of its associated companies.
10. The Company has entered into Confidentiality cum Non-Competition Agreement for the protection of its business interests, trade secrets and confidential information with Mr. Chopra in terms of the policy of the Company.
11. The terms and conditions of his appointment and remuneration may be varied, altered, increased,



enhanced or widened from time to time by the Board, on a yearly basis based on performance, as the Board may in its discretion deem fit, within the maximum amount payable in accordance with the provisions of the Companies Act, 2013 read with Schedule V and The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, or any amendments made hereafter in this regard.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. Chopra under Section 190 of the Act.

The Particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

I. General Information:

- 1) Nature of industry
The Company is mainly engaged in the business of manufacture of products for electrolytic processes.
- 2) Date of commencement of commercial production
Commercial operations of the Company commenced in the year 1993.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Not applicable.
- 4) Financial performance based on given indicators

(₹ in lakhs)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Gross revenue	7,379.62	7,358.02	7,416.65
Profit before Tax	2,522.47	2,715.30	2,095.76
Profit after Tax	1,900.74	2,027.60	1,545.04
Reserves & Surplus	11,438.05	9,636.75	7,657.25

- 5) Foreign investments or collaborators, if any.
The Company has a Financial & Technical Collaboration with Industrie De Nora S.p.A., Italy which is the ultimate holding Company of the Company.

II. Information about the appointee:

- 1) Background details:
Mr. Vinay Chopra holds a master's degree in Industrial Engineering and is a Postgraduate in Management. He is also a Certified Lean Six Sigma Master Black Belt. He has over 30 years of experience in Electro Chemical

Industry and has been associated with De Nora since 1990.

He joined De Nora India Limited at Rampur in the Production Department. In 2007, he moved to the Marketing Department as head of Oxygen products of De Nora (Cathodic Protection, Surface Finishing, Electro Chlorinators). In the year 2013 he was promoted to the position of the Manager of the Company. In 2016, Mr. Chopra was appointed as Managing Director of the Company and was further re-appointed in the year 2019 and 2022 for a term of three years each.

Currently, as the Managing Director, Mr. Chopra is responsible for the overall management and administration of the Company.

- 2) Past remuneration (last two years):
Mr. Vinay Chopra was paid ₹ 89.33 lakhs for financial year 2023-24 and ₹ 83.39 lakhs for the financial year 2022-23 as managerial remuneration.
- 3) Recognition or awards
NIL
- 4) Job profile and his suitability

Mr. Chopra has been associated with De Nora India Limited for more than 33 years and is serving the Company since 1990. He devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board.

Mr. Chopra has over 3 decades of invaluable experience in the line of the business of the Company which is compatible with the organizational requirements and the Company would benefit under his leadership and valuable guidance. In addition to the above, he is also a member of the Corporate Social Responsibility (CSR) Committee and the Share Transfer Committee of the Company.

Taking into consideration the qualification and expertise, he is best suited for the responsibilities assigned to him by the Board of Directors.

- 5) Remuneration proposed
Please refer to the details given hereinabove and forming part of the Explanatory Statement to the proposed Resolution.



- 6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Considering the company's size and nature of business, as well as Mr. Chopra's qualifications, competence, experience, responsibilities and long association with the company, as well as remuneration package to those of similarly placed personnel in comparable companies, market trends and industry standards for similar positions, the remuneration proposed hereinabove by the Nomination and Remuneration Committee / Board is fair and reasonable.

- 7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Besides the remuneration paid/payable to Mr. Chopra, he does not have any other pecuniary relationship directly or indirectly with the Company or with the managerial personnel.

III. Other information:

- 1) Reasons of loss or inadequate profits

The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above. The Company does not envisage any loss or inadequate profits. However, rising running cost and challenging business environment may affect the profitability of the Company in future.

- 2) Steps taken or proposed to be taken for improvement

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve volumes and reduce costs. The Company has taken steps to strengthen its business fundamentals through focused network engagements, enhancing customer experience and thrust on improving working capital management. The Company also proposes to aggressively establish markets for the water technology products in India. The results of these initiatives are likely to be felt in the coming years.

- 3) Expected increase in productivity and profits in measurable terms.

The Company has already taken and is continuing to undertake diligent efforts to step up the performance of the Company and bring about an improvement in productivity and operational growth in future. However, it is difficult to forecast the productivity and profitability in measurable terms, but the Company expects that the productivity and profitability may improve and would be comparable with the industry average.

IV. Disclosures:

The disclosure of remuneration package, service contract, notice period, severance fees etc. of Mr. Vinay Chopra including other necessary disclosures have been made in the Corporate Governance Report which forms a part of the Board's Report in the Annual Report of the Company for FY 2023-24.

The Company has received a Notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Vinay Chopra, for the office of Managing Director of the Company. Mr. Vinay Chopra is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act nor debarred from holding the office of director by virtue of any order by Securities Exchange Board of India or any other such authority and has given all the necessary declarations and confirmation including his consent to be re-appointed as Managing Director of the Company.

Based on the evaluation of his performance as Managing Director of the Company, considering his knowledge of various aspects relating to the Company's affairs, long business experience and his contribution to the growth of the Company, the Board believes that the continued association of Mr. Vinay Chopra is in the best interest of the Company.

The information/details of Mr. Vinay Chopra pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) are provided herein as Annexure to this Notice.

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

The Board recommends Special resolution as set out in the Item No. 6 of the Notice for approval of the Members of the Company.



Annexure

Brief Details of the Director seeking re-appointment

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ('SS-2'))

Particulars	Item No. 3	Item No. 6
Name	Robert Scannell	Vinay Chopra
DIN	06818489	06543610
Date of Birth and Age	August 25, 1959 (64 years)	November 14, 1969 (54 Years)
Qualification	Ph. D holder in Electrochemistry	Master's degree in Industrial Engineering, Postgraduate in Management and is Certified Lean Six Sigma Master Black Belt
Experience (including expertise in Specific Functional Area)/Brief Resume	He is a Ph.D holder in Electrochemistry, is the Managing Director of De Nora Deutschland GmbH and the Regional Chief Officer of De Nora for EMEA and India, including President of De Nora Italy S.r.l. Milano. He is a highly motivated executive with over 32 years Industrial Experience in the core businesses of the De Nora Group. He was previously the head of Global Technical Services within De Nora and held the position of Head of Research & Development within Heraeus Elektrochemie GmbH and a research position within Siemens in Erlangen Germany.	He has over 30 years of experience in Electro Chemical Industry and has been associated with De Nora since 1990. He joined De Nora India Limited at Rampur in the Production Department. In 2007, he moved to the Marketing Department as head of Oxygen products of De Nora (Cathodic Protection, Surface Finishing, Electro Chlorinators). Currently in charge of managing the affairs of the Company as the Managing Director, he is responsible for the overall management and administration of the Company and has gained extensive experience in the electrochemical industry.
Inter-se relationship with other Directors and Key Managerial Personnel	NIL	NIL
Terms & Conditions of appointment along with details of remuneration sought to be paid	He is a Non-Executive Director of the Company, liable to retire by rotation. He is entitled to receive Sitting Fees for attending meetings of the Board and Committees thereof.	As mentioned in the explanatory statement given in Item no. 6 of this Notice.
Directorship held in other Companies (Excluding foreign, private and Section 8 Companies)	NIL	NIL
Chairman/Member in the Committees of the Boards of other Companies	NIL	NIL
Companies from which he has resigned in the past 3 years	NIL	NIL
Date of first appointment on the Board of the Company	February 12, 2014	May 09, 2013
Shareholding in the Company	NIL	NIL

For other details such as number of meetings of the board attended during the year, remuneration last drawn, please refer to the Corporate Governance Report which is a part of the Annual Report.



BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 35th (Thirty Fifth) Board's Report on the business and operations of the Company together with the audited financial statements for the year ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2024, is summarized below.

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23
	Audited	Audited
Revenue from Operations	7,379.62	7,358.02
Other Income	520.33	385.52
Total	7,899.95	7,743.54
Profit before Depreciation, Exceptional items and Tax Expense	2,637.05	2,852.17
Less: Depreciation/ Amortization/ Impairment	114.58	136.87
Profit before Exceptional items and Tax Expense	2,522.47	2,715.30
Exceptional Items	-	-
Profit/(Loss) before Taxation	2,522.47	2,715.30
Less: Tax Expense (Current & Deferred)	621.73	687.70
Net Profit	1,900.74	2,027.60
Other Comprehensive Income/(Loss) (net of tax)	6.74	4.99
Total Income for the year	1,907.48	2,032.59

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 ₹ 7,379.62 lakhs for the year under review as compared to ₹ 7,358.02 lakhs in the previous year. The Company's Profit from Operations for the year under review was ₹ 2,522.47 lakhs as compared to ₹ 2,715.30 lakhs in the previous year.

The Profit after tax for the year ended March 31, 2024, was ₹ 1,900.74 lakhs as compared to ₹ 2,027.60 lakhs for the previous year ended March 31, 2023.

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, 2024, subject to the approval of Members at the 35th 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, 2024, 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.

Change in Directorate

During the year, Mr. Satish Dhume (DIN: 00336564), tendered his resignation as the Independent Director of the Company, with effect from close of business hours on May 22, 2023, to devote more time towards personal commitments. The Board places on record its appreciation for the valuable contributions, assistance, and guidance provided by Mr. Satish Dhume to the Company.

Ms. Lalita Corriea Afonso (DIN: 07986827) was appointed as an Additional Director (Non-executive and Independent) of the Company with effect from July 5, 2023. Her appointment was approved by the members at the 34th AGM of the Company held on September 12, 2023.

Ms. Supriya Banerji (DIN: 05209284) was re-appointed as an Independent Director of the Company for second term of 5 years at the 34th AGM of the Company held on September 12, 2023, and she holds office as an Independent Director of the Company upto September 25, 2028.

Re-appointment of Directors

In accordance with the provisions of Section 152 of Companies Act, 2013 Mr. Robert Scannell (DIN: 06818489), Non-executive, Non-Independent Director



of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment.

The tenure of Mr. Vinay Chopra as Managing Director of the Company will expire on July 15, 2025. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 12, 2024, approved the re-appointment and payment of remuneration to Mr. Vinay Chopra as Managing Director of the Company for a further period of 3 (Three) years with effect from July 16, 2025, subject to approval of Members at the ensuing AGM. Terms and conditions for his re-appointment are contained in the Explanatory Statement forming part of the Notice of this AGM.

The Board recommends the re-appointment of above Directors for your approval. Brief details of Directors proposed to be re-appointed as required under Regulation 36 of the SEBI Listing Regulations are provided in the Notice of the ensuing 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 2023-24 are given in the Corporate Governance Report which forms part of this Board's Report.

8. COMMITTEES OF THE BOARD

As on March 31, 2024, 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. 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.

10. 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. Details of all the transactions entered with related parties were 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, your Company did not enter into any Material Related Party Transaction which requires prior approval of the Members of your Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC - 2 is not applicable to the Company for the financial year 2023-24, and hence does not form part of this report.

The details of all the Related Party Transactions as per the Accounting Standards have been disclosed in notes to the financial statements. There were no materially significant related party transactions made with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict of interest with the Company at large.

In accordance with Regulation 23 of the Listing Regulations, the Company submits the details of related party transactions to the stock exchanges in the prescribed format within the stipulated time from the date of publication of its financial results on a half-yearly basis.

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>.



11. 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.

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. 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).

14. 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 May 04, 2023, 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 was 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.

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 - II**'.

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 March 31, 2024, the Company has incurred CSR expenditure of ₹ 35.87 Lakhs. 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 2023-24 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 III**' to this Report.

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>

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 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 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 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 2023-24 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 March 31, 2024 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

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.

- (i) The steps taken or impact on conservation of energy;
 - Replacement of existing Sodium lights to LED's
 - Alternate energy source in form of Solar for External street lightings.
 - Installation of APFC for power purity and power savings.
 - Replacement of water-cooled package AC with Air cooled package AC.
 - Replacement of Air compressor with new one, to improve energy efficiency.
 - Installation of new Shot blasting machine with lower load capacity.
 - TIG welding machines procured with lower energy load.
- (ii) The steps taken by the company for utilising alternate sources of energy;
 - Installation of Solar powered street lights in the factory outer premises.

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 - ₹ 267.55 Lakhs

Foreign Exchange Outgo - ₹ 2,649.88 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 have been no incidents reported to the Audit Committee under this 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. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) were appointed as the Statutory Auditor of the Company at the 34th Annual General Meeting held on September 12, 2023, to hold office for a term of five years from the conclusion of said meeting till the conclusion of 39th Annual General Meeting to be held in the year 2028.

The Auditors' Report to the Members on the Financial Statements for the financial year ended March 31, 2024, forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

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, Practicing 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, 2024.

The Secretarial Audit Report for the Financial Year ended March 31, 2024 forms part of this Annual Report as '**Annexure - IV**'. 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 2023-24 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

During the year under review, in accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, your Company has maintained the accounts and cost records, as specified by the Central Government. However, in terms of the said Rules, the requirement of cost audit is not applicable to the Company for the financial year 2023-24.

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 -V**'.



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, 2024, 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, 2024, 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, 2024, 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 AGM 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., <https://india.denora.com>

Name of the Nodal Officer	Mr. Shrikant Pai – Company Secretary
Phone No.	0832 6731151
Email ID	shrikant.pai@denora.com
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, 2024, 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
For De Nora India Limited**

Supriya Banerji
Chairperson
DIN: 05209284

Place: Kundaim, Goa
Date: August 12, 2024



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

During 2023, the global economy witnessed several challenges, yet demonstrated resilience with a GDP growth of 3.1% over the past year. The International Monetary Fund (IMF) projects global growth to remain at the same levels as the past year, indicating a stabilising global economy with monetary policies finding new balance. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. Risks to the global outlook for 2024 seem broadly balanced. These risks arise from price spikes stemming from geopolitical tensions and regional conflicts such as those in Gaza, attacks in the Red Sea, and continued war in Ukraine, a slower than expected decline in core inflation and interest rates remaining higher than expected. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

Indian economy remained resilient with robust 7.6% growth rate of GDP in FY 2023-24 over and above 7% growth rate in FY 2022-23. This rebound in economic growth can be attributed to India's sound macroeconomic fundamentals, burgeoning domestic demand and prudent fiscal policies implemented by the RBI. Further, easing supply side constraints, coupled with the government's consistent emphasis on capital expenditure have facilitated economic growth. On the policy front RBI is expected to continue its focus on aligning inflation towards its target. The government's response to global economic shifts included strengthening domestic production and enhancing infrastructure. Strong fundamentals, such as sustained political stability, enhanced government focus on public capex, increasing private capex, growing credit demand, low debt levels and deleveraged balance sheets of most companies, are expected to substantially contribute to economic growth.

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

Annexure-I

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 celebrated 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, chlorine alongside hydrogen, soda ash 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 & BM2.7v6plus 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. De Nora India Limited, has entered into an agreement to leverage the services of a newly established workshop in an Industrial estate near Vadodara city, Gujarat, dedicated to electrode technologies to meet the local chlor-alkali (in & around western region) market's needs for mechanical repairs of electrodes. The Company continues to remain the market leader in the chlor-alkali and cathodic protection systems business. We aim to further strengthen our presence in this strategic area. 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

The Company up to the quarter ended June 2023 and in earlier years, had two reporting segments, namely Electrode Technologies and Water Technologies. The Water Technologies business has been declining and is not significant compared to the Electrode Technologies business and also to the operations of the Company. Considering that the Water Technologies business is not significant, the chief operating decision maker (CODM) had decided to look at the company performance as single unit from the quarter ended September 30, 2023, onwards. Accordingly, the CODM has identified Electrode Technologies as its only reportable segment in accordance with the requirements of Ind AS 108- Operating Segments

and no segment information has been provided. An annual turnover of ₹ 7,379.62 lakhs was registered by the Company during the year under review from the sale of its products.

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 (2022-23 to 2027-28) is estimated to be CAGR of 6.7%. (*Source: Annual Industry review 2022-23 by AMAI*).

The Company is looking forward to maintaining its position of market leader in membrane recoating activity and cathodic protection systems. Currently, 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. 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 ₹ 2,522.47 lakhs for the current year as against ₹ 2,715.30 lakhs for the previous financial year. The post-tax profit for the current year is ₹ 1,900.74 lakhs whereas it stood at ₹ 2,027.60 lakhs for 2022-23. The Earning per Share (EPS) (Basic & Diluted) of your Company for the financial year ended March 31, 2024, was at ₹ 35.80.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL

Key Financial Ratios	FY 2023-24	FY 2022-23	Change (%)	Reason/ Explanation
Debtors Turnover Ratio	5.42	5.11	6%	-
Inventory Turnover Ratio	0.89	1.00	-11%	-
Interest Coverage Ratio	-	-	-	Not applicable as company is debt free.
Current Ratio	14.48	7.61	90%	Improvement in business volume and cash flow from operations resulting in good current ratio as compared to previous period
Debt Equity Ratio	-	-	-	Not applicable as company is debt free.
Return on Net Worth (%)	15%	20%	25%	Margins impacted due to rise in operating cost
Operating Profit Margin (%)	33.4%	37%	9%	
Net Profit Margin (%)	26%	28%	-7%	

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Last year marked the 100th birthday of Group De Nora, a milestone that was celebrated with numerous activities both globally and locally. De Nora India Ltd. commemorated this significant occasion by organizing a memorable party for all its employees.

The celebration began with a heartfelt felicitation of the past board of directors, recognizing their invaluable contributions to the company's journey. The evening was filled with various engaging activities, including games that brought out the competitive spirit among employees.

Charity Initiatives Celebrating 100 Years of De Nora:

In celebration of our 100th anniversary, De Nora India undertook various charity initiatives to give back to the community and support those in need. Our efforts were focused on providing essential resources to local organizations, thereby making a positive and lasting impact. Here are some highlights of our charitable activities:

i) Donations to Vrindavan Charitable Trust

Your Company donated essential items such as books, bedsheets, blankets, a washing machine, a desktop, etc. to Vrindavan Charitable Trust. This organization provides shelter, education and healthcare to orphans and destitute children. Our representatives were warmly welcomed by the children and staff of the orphanage, who were overwhelmed with joy and gratitude. These thoughtful gifts will undoubtedly have a lasting positive impact on their lives.

ii) Contributions to Nano Nagle School (TNNS-Goa)

Your Company also donated computers to the Trust of Nano Nagle School (TNNS-Goa), an organization that has been educating children from slum areas since 1983. This school provides education to economically, socially and intellectually marginalized children. The Nano Nagle School community expressed deep gratitude for this gift, which will significantly contribute to their educational journey.

iii) Support for Peaceful Society

We donated medical instruments and medicines to Peaceful Society, a Gandhian voluntary organization. This NGO works in various fields, including civic issues, education and literacy, environment and natural resource management, health and nutrition, human rights, legal awareness and aid, rural development and poverty alleviation, water and sanitation, women's development and empowerment, and youth affairs. The donated medical instruments and medicines were used by the NGO to conduct medical health check-up camps for senior citizens and needy people living in villages near the Company.

iv) Fodder Donation to Dwarkapuri Gaushala

Further, your Company donated fodder to Dwarkapuri Gaushala, a shelter for homeless, injured, and unwanted cattle. This contribution played a significant role in ensuring the well-being of the animals and support the gaushala in its mission to provide care and shelter for cattle in need.



These charity initiatives reflect our commitment to social responsibility and our dedication to making a positive impact on the communities we serve. As we celebrated 100 years of De Nora, we were proud to support these organizations and contribute to their valuable work.

Safety and Health Initiatives: Prioritizing Workplace Well-being: At your company, safety and health at the workplace remains our top priority. This year, we continued our tradition of celebrating the National Safety Week from March 4th to 10th by organizing a poster-making competition themed “Safety at Work.” The event received an enthusiastic response, resulting in the creation of many beautiful and thoughtful posters.

In addition to the competition, we have implemented numerous best practices across the plant to minimize mishaps and ensure a safe working environment. Our ongoing commitment to safety is reflected in these proactive measures.

We also marked the World Day for Safety and Health at Work on April 28th with a town hall meeting, reinforcing our dedication to fostering a culture of safety and health within the workplace. Through these initiatives, we continue to prioritize the well-being of our employees and strive to maintain a secure and healthy work environment.

Furthering our commitment to employee health and well-being, we appointed an Industry Wellness Consultant, a qualified yoga therapist, to address health issues among our employees. The consultant engaged with our colleagues, providing expert guidance and personalized yoga practices aimed at preventive healthcare. This initiative underscores our dedication to promoting a healthier workplace and enhancing the overall well-being of our team.

International Women’s Day: Your company is dedicated to creating a world free from stereotypes and discrimination, recognizing that gender equality is essential for cultural, social, and economic progress. We are committed to fostering inclusivity and diversity by embracing our unique identities and striving towards a more equitable future. By empowering women to achieve their full potential, we aim to build a world where equality is a reality for all.

Your Company celebrated International Women’s Day to highlight our commitment to working towards a fair and just world for everyone. This inclusive celebration emphasized the importance of unity and collective effort in promoting gender equality.

Through these initiatives, your Company continues to champion the cause of gender equality, ensuring that everyone has the opportunity to thrive and contribute to a more inclusive and equitable society.

As on March 31, 2024, there were 48 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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE STRATEGY

Environmental, Social and Governance factors (ESG factors) are at the core of De Nora’s values and strategy and represent a long-term commitment that the Group intends to strengthen through several initiatives and projects. We believe that every step we take can have a positive impact on shaping a cleaner future, at DNIL we have done some changes in packing procedure of shipment to eliminate/minimize usage of thermocol.

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.



Annexure-II

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 2023-24 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year 2023-24.**

Median remuneration of all the employees of the Company for the financial year	₹ 6.57 Lakhs
Percentage increase in the median remuneration of employees in the financial year	4.95%
Number of permanent employees on the rolls of the Company as on March 31, 2024	48

Sr. No.	Name of Director	Designation	Remuneration (₹ in Lakhs)	Ratio of Directors remuneration to median remuneration	% Increase in the remuneration in the FY 2023-24
I Executive Director					
1.	Mr. Vinay Chopra	Managing Director	89.33	13.59:1	7.12%
II Non-Executive Directors					
1.	Mr. Satish Dhume*	Independent Director	-	NA#	-
2.	Ms. Supriya Banerji	Independent Director	-	NA#	-
3.	Mr. Purushottam Mantri	Independent Director	-	NA#	-
4.	Ms. Lalita Correia Afonso**	Independent Director	-	NA#	-
5.	Mr. Robert Scannell	Non – Executive Director	-	NA#	-
6.	Mr. Francesco L'Abbate	Non – Executive Director	-	NA#	-
III Key Managerial Personnel					
1.	Mr. Deepak Nagvekar	Chief Financial Officer	44.61	-	(0.29) %
2.	Mr. Shrikant Pai	Company Secretary	11.44	-	9.47 %

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

* Resigned w.e.f. 22-05-2023

** Appointed w.e.f. 05-07-2023

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. 2023-24 was 10% whereas the increase in the managerial remuneration for the same financial year was 7.12%. 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**

**Supriya Banerji
Chairperson
DIN: 05209284**

Place: Kundaim, Goa
Date: August 12, 2024



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	3	2
2	Mr. Robert Scannell	Non-Executive Director	3	1
3	Mr. Vinay Chopra	Managing Director	3	3

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 section 135(5): **₹1,793.55 Lakhs**
(b) Two percent of average net profit of the Company as per section 135(5): **₹ 35.87 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)]: **₹ 35.87 Lakhs**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 35.87 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)]: **₹ 35.87 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)	
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 35.87 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 sub-section (5) of section 135: **Not Applicable**

For De Nora India Limited

Mr. Vinay Chopra
Managing Director
(DIN: 06543610)

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

Place: Kundaim, Goa
Date: August 12, 2024



ANNEXURE TO THE BOARDS' REPORT

FORM NO. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024.

[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 31st March, 2024, 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 31st March, 2024 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: 12.08.2024
Place : Porvorim- Goa

Rakhee Raghunath Malkarnekar
Practicing Company Secretary
Mem No. A56859
C P No.: 21439
UDIN : A056859F000952237
P/R: 1596/2021



CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Your company is committed to adopting best governance practices and always adhering to them in their true spirit. 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 March 31, 2024 is given herein below:

1. Company’s Philosophy on Corporate Governance

Your Company firmly believes that good governance is the foundation for enhancing operational efficiencies, achieving long-term corporate goals and sustainable long-term value creation for all stakeholders. The Company upholds integrity, transparency, accountability, highest ethical standard, and compliance with regulations in all the interactions with government entities, customers, suppliers, employees, and other stakeholders, thereby reflecting our commitment to good corporate governance.

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. The Company is committed to consistently implementing best management practices with the aim of achieving organizational objectives, maximizing stakeholder value, and fulfilling its social responsibilities.

2. Board of Directors

The Board of Directors of the Company is duly constituted and comprises of optimum combination of Executive Director, Non-Executive Directors and Independent Directors, who are experienced, competent and highly renowned persons from the diverse fields such as manufacturing, marketing, finance, taxation, law, governance etc. The Board plays an imperative role in the management, general affairs, strategic directions and performance of the Company. The Directors of the Company 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. 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.

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

The Board currently comprises of 6 (Six) Directors out of which 1 (One) is Managing Director, 2 (Two) are Non-Executive Non-Independent Directors, and 3 (Three) are Independent Directors, including one Women Independent Director. The Chairperson of the Board is a Non-Executive 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 details of Board composition, 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 as on March 31, 2024, are as under:

Name and Category of the Director	No. of Board Meetings attended during the FY 2023-24	Attendance at the last AGM held in 2023	No. of Directorship in other Companies [#]	No. of Committee positions held in other companies [§]	
				Member	Chairperson
Ms. Supriya Banerji (Chairperson w.e.f.: 05.07.2023; Independent Director)	4 of 5	Yes	-	-	-
Mr. Satish Dhume (Chairperson and Independent Director Upto 22.05.2023)	1 of 1	NA	-	-	-
Mr. Vinay Chopra (Managing Director)	5 of 5	Yes	-	-	-
Ms. Lalita Correia Afonso (Independent Director w.e.f.: 05.07.2023)	3 of 3	Yes	1	1	-
Mr. Purushottam Mantri (Independent Director)	5 of 5	Yes	2	2	-
Mr. Robert Scannell (Non-Executive Director)	1 of 5	No	-	-	-
Mr. Francesco L’Abbate (Non-Executive Director)	1 of 5	No	-	-	-

[#] Excludes directorships held in private limited companies, foreign companies and section 8 companies.

[§] Includes Membership(s) / Chairpersonship(s) of only Audit Committees and Stakeholders’ Relationship Committees in all public limited companies have been considered.



None of the Directors on the Board of the Company is a director in more than 20 (Twenty) Companies or 10 (Ten) Public limited Companies. None of the Directors of the Company is serving as Director or Independent Director in more than 7 (Seven) 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 10 (Ten) committees nor is a chairperson of more than 5 (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. 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.

2.2 Names of the other listed entities where the Directors of your Company are the Directors as on FY ended March 31, 2024

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

Except for Mr. Purushottam Mantri, none of the other Directors of the Company hold any directorships 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, 2024.

2.3 Meeting of Board of Directors

During the year under review, 5 (Five) Board meetings were held i.e., on May 04, 2023, July 05, 2023, July 28, 2023, October 30, 2023, and February 02, 2024. The maximum time gap between any two consecutive Board meetings did not exceed 120 days.

The Notice of Board and Committee Meetings along with the agenda are circulated at least seven days prior to the meeting in compliance with the requirements of the Secretarial Standards. The Agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the Meetings. Adequate information is circulated as part of the agenda papers and is also made available at the

meeting to enable the Directors to take informed decisions and discharge their responsibilities effectively. Where it is not feasible to circulate any document in advance, the same are tabled / presented at the meeting with the permission of Chairperson and Directors. The information as specified in Schedule II of the Listing Regulations is regularly made available to the Board. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

2.4 Skills/ Expertise/ Competence of the Board of Directors

The Board of Directors of the Company comprises of qualified individuals possessing a range of skills, knowledge and experience who contribute and guide the Management towards the effective functioning of the Company. 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. In the opinion of the Board these core skills / expertise / competencies are available with the Members of the Board in the following manner:

Name of Director	Skills/Expertise/Competence
Mr. Vinay Chopra, Managing Director	Familiarity with Industry / Technology, Technical expertise, Leadership, Strategic thinking and General Management and Corporate Governance, Stakeholders Management and Policy decisions
Ms. Supriya Banerji, Independent Director	Legal and Regulatory framework, and Corporate Governance, Stakeholders Management and Policy decisions
Mr. Purushottam Mantri, Independent Director	Legal and Regulatory framework and Corporate Governance, Stakeholders Management, Risk Management and Policy decisions
Ms. Lalita Correia Afonso, Independent Director	Knowledge of Finance, Accounts, Taxation and Audit, Corporate Governance, Stakeholders Management, Risk Management and Policy decisions
Mr. Robert Scannell, Non-Executive Director	Familiarity with Industry / Technology, Technical expertise, Leadership, Strategic thinking and General Management and Risk Management
Mr. Francesco L'Abbate, Non-Executive Director	Familiarity with Industry / Technology, Technical expertise and Knowledge of Finance, Accounts, Taxation and Audit



2.5 Independent Directors

All the Independent Directors have confirmed that they have met with criteria of their independence as per the provisions of the Companies Act, 2013 and SEBI (LODR), 2015. Based on the 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 of the management of the Company.

During the year under review, none of the Independent Director(s) of the Company except Mr. Satish Dhume (DIN: 00336564) resigned before the expiry of their tenure. Mr. Satish Dhume, resigned with effect from May 22, 2023, citing personal commitments. The Company has also obtained confirmation from Mr. Dhume that there was no material reason for his resignation other than as mentioned above.

Ms. Lalita Corriea Afonso (DIN: 07986827) was appointed as an Additional Director (Non-Executive and Independent) of the Company, effective July 5, 2023. Her appointment was subsequently approved by the members at the 34th AGM of the Company, held on September 12, 2023.

In terms of the provisions of the Act and the Listing Regulations, the Independent Directors of the Company shall meet at least once in a financial year, without the presence of Executive and Non-Independent Directors and members of management. The Independent Directors of the Company met on May 04, 2023, 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. The Independent Directors also reviewed 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 of the Company were present for the Meeting.

2.6 Familiarization of Independent Directors

To familiarize the Independent Directors with the Company, the nature of the industry in which it operates, and the Company's business model, as well as to enable them to understand their roles, rights, and responsibilities, a familiarization program has been adopted and implemented by the Company. These include detailed induction programmes upon appointment of new Directors as well as other initiatives to update the Directors on a continuous basis.

All Directors, on their appointment, are taken through a detailed induction programme when they join the Board of the Company. The induction process for independent directors includes visit to the Company's plant to enable them to have full understanding on the operations / activities of the Company. The Board is also regularly informed about other significant developments that impact 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, 4 (Four) Audit Committee Meetings were held on May 04, 2023, July 28, 2023, October 30, 2023, and February 02, 2024. 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 its meetings held during the financial year ended March 31, 2024, are as follows:

Names of Committee Members	Category	No. of meetings attended
Mr. Satish Dhume, Chairperson *	Independent Director	1 of 1
Mr. Purushottam Mantri, Chairperson ^	Independent Director	4 of 4
Mr. Robert Scannell	Non-Executive Director	1 of 4
Ms. Lalita Correia Afonso#	Independent Director	3 of 3

* Ceased to be a Chairperson and Member of the Audit Committee with effect from May 22, 2023

Appointed as a Member of the Audit Committee with effect from July 5, 2023

^ Appointed as Chairperson of the Audit Committee with effect from February 3, 2024

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. Purushottam Mantri was present at the AGM of the Company held on September 12, 2023.

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 3 (three) times during the year under review on May 04, 2023, July 05, 2023, and February 02, 2024. 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, 2024, are as follows:

Names of Committee Members	Category	No. of meetings attended
Mr. Purushottam Mantri, Chairperson *	Independent Director	3 of 3
Ms. Supriya Banerji#	Independent Director	3 of 3
Mr. Robert Scannell	Non-Executive Director	2 of 3

* Appointed as a Chairperson of the NRC with effect from July 5, 2023.

Ceased to be a Chairperson of the NRC with effect from July 5, 2023.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013, has been published on the Company website and is available on <https://india.denora.com>. Mr. Purushottam Mantri, Chairperson of the NRC, was present at the AGM of the Company held on September 12, 2023.

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, 2024, 2 (Two) SRC meetings were held on May 04, 2023, and October 30, 2023. 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, 2024, are as follows:

Names of Committee Members	Category	No. of meetings attended
Mr. Purushottam Mantri, Chairperson	Independent Director	2 of 2
Mr. Vinay Chopra	Managing Director	2 of 2
Mr. Satish Dhume *	Independent Director	1 of 1
Ms. Lalita Correia Afonso #	Independent Director	1 of 1

* Ceased to be a Member of the SRC with effect from May 22, 2023

Appointed as a Member of the SRC with effect from July 5, 2023

Mr. Purushottam Mantri, Chairperson of the SRC, was present at the AGM of the Company held on September 12, 2023.

Details of Shareholders' Complaints/requests

The Company and the Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited, attend to all the grievances of the Shareholders. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the shareholders. During the financial year ended March 31, 2024, 78 queries / other correspondence were received and resolved to the satisfaction of the Shareholders. The queries received by the Company during the year were general in nature, which included issues relating to non-receipt of dividend, issue of duplicate share certificate, non-receipt of annual reports and others, which were resolved by the Company to the satisfaction of the investors.

SEBI has provided a centralised web-based complaint redress system named, SCORES (SEBI Complaints Redressal System) which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaints and its current status.



The details of complaints received, resolved / pending during the Financial Year ended March 31, 2024, are given below:

Particulars	No. of Complaints
Complaints pending as on April 1, 2023	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints Pending as on March 31, 2024	Nil
Complaints not resolved to the satisfaction of investor	Nil

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, 2024, 3 (Three) meetings of the Committee were held on May 04, 2023, July 05, 2023 and October 30, 2023.

The composition of the Corporate Social Responsibility Committee and the attendance of members at the meetings held during the year ended March 31, 2024, are as follows:

Names of Committee Members	Category	No. of meetings attended
Ms. Supriya Banerji, Chairperson	Independent Director	2 of 3
Mr. Vinay Chopra	Managing Director	3 of 3
Mr. Robert Scannell	Non-Executive Director	1 of 3

Ms. Supriya Banerji, Chairperson of the CSR Committee, was present at the AGM of the Company held on September 12, 2023.

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-imbursment 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	32.68	2.54	5.22	48.88	-	89.33
Mr. Satish Dhume	-	-	-	-	0.15	0.15
Mr. Francesco L'Abbate	-	-	-	-	0.05	0.05
Mr. Robert Scannell	-	-	-	-	0.25	0.25
Ms. Supriya Banerji	-	-	-	-	0.45	0.45
Mr. Purushottam Mantri	-	-	-	-	0.70	0.70
Ms. Lalita Correia Afonso	-	-	-	-	0.35	0.35



(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 33rd 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.

(c) Service contracts, notice period & severance fees

Mr. Vinay Chopra was re-appointed as Managing Director of the Company for a period of three years with effect from July 16, 2022, on the terms and conditions including remuneration approved by the Members by way of Ordinary Resolution through Postal Ballot on May 15, 2022. Further, the members of the Company at the 33rd AGM held on September 28, 2022, by way of Special Resolution, increased the limit of overall remuneration payable to Mr. Vinay Chopra. The resolution approved by the Members of the Company along with the service rules 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.

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 of Independent Directors are disclosed on the website of the Company. Non-executive Directors (except Independent Directors) are liable to retire by rotation at the AGM and are eligible for re-appointment.

(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 at <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 2023-24 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.

4.6 Particulars of senior management of the Company and change therein

The particulars of senior management are as under:

Name	Designation	Change since closure of last financial year
Vinay Chopra	Managing Director	No Change
Deepak Nagvekar	Chief Financial Officer	No Change
Santosh Nair	Manager -Operations	No Change
Geeta Naik	Manager- Sales & Technical Assistance	No Change
Shrikant Pai	Company Secretary	No Change
Anuradha Kadam	Professional- Human Resources	No Change



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, 2021	32 nd	Thursday, September 23, 2021, at 11.00 a.m.	Held through Video conference / other Audio-visual means	None
March 31, 2022	33 rd	Wednesday, September 28, 2022, at 11.00 a.m.	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim Goa 403115	Increase in the limit of overall remuneration payable to Mr. Vinay Chopra, Managing Director
March 31, 2023	34 th	Tuesday, September 12, 2023, at 11.00 a.m.	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim Goa 403115	1. Appointment of Ms. Lalita Correia Afonso (DIN: 07986827) as an Independent Director 2. Re-appointment of Ms. Supriya Banerji (DIN:05209284) as an Independent Director for a Second Term of 5 (five) consecutive years

5.2 No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2024.

5.3 Resolutions passed through Postal Ballot during the Financial year 2023-24:

No Resolution was passed through Postal Ballot during the financial year 2023-24.

6. Disclosure under Regulation 30A of Listing Regulations:

The Company has not been informed about any agreement which are binding on the Company by any of its shareholders, Promoters, Promoter Group Entities, related parties, Directors, KMP and employees of the Company or its Subsidiaries and associate Companies executed under Clause 5A of Para A at Part A of Schedule III to Listing Regulations.

7. 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 <https://india.denora.com>.

The Annual Report for FY 2023-24 is being sent in electronic mode, to all members who have registered their email ids for the purpose of receiving documents/ communication in electronic mode with the Company and/ or Depository Participants. The Annual Report 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 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 <https://india.denora.com>. An exclusive section on 'Investors' enables them to access information relating to the Company.



8. General Shareholder Information

8.1	Corporate Identification Number (CIN) of the Company	L31200GA1993PLC001335
8.2	Registered Office & Plant location	Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115
8.3	Financial Year reported	April 1, 2023 to March 31, 2024
8.4	Date, time and Venue of Annual General Meeting	Wednesday, September 25, 2024, at 11.00 a.m. (IST) through Video Conference (VC) / Other Audio-Visual Means (OAVM) and the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115 is deemed to be venue of the meeting.
8.5	Date of Book Closure	September 19, 2024 (Thursday) to September 25, 2024 (Wednesday) (both days inclusive)
8.6	Dividend Payment Date (subject to approval of shareholders)	On or after October 10, 2024
8.7	Name & Address of Stock Exchange at which Shares are listed	National Stock Exchange of India Ltd. Exchange Plaza, 5 th floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai- 400051
8.8	Stock Code	DENORA EQ
8.9	ISIN	INE244A01016
8.10	Payment of Listing Fees	The Annual listing fees for the financial year 2024-25 has been paid to the above Stock Exchange.
8.11	Details of securities suspended	None
8.12	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: investor@bigshareonline.com Website: www.bigshareonline.com
8.13	Outstanding GDRs/Warrants/ADRs/ Convertible Instruments, conversion dates and likely impact on equity	None
8.14	Commodity Price Risk or Foreign Exchange Risk & Hedging Activities	Nil
8.15	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: shrikant.pai@denora.com
8.16	E-mail id designated by the Company for Investor Complaints	dni.secretarial@denora.com
8.17	Credit Ratings for debt instruments / fixed deposit scheme / any other scheme or proposal	Not applicable

8.18 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.

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	Registered office of the Company: De Nora India Limited Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim – Goa Ph. No.: 0832-6731100
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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.



8.19 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.

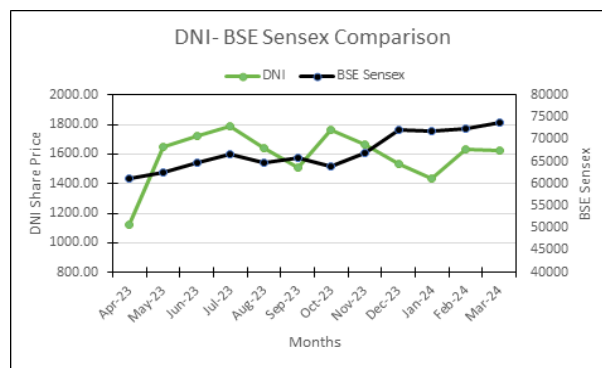
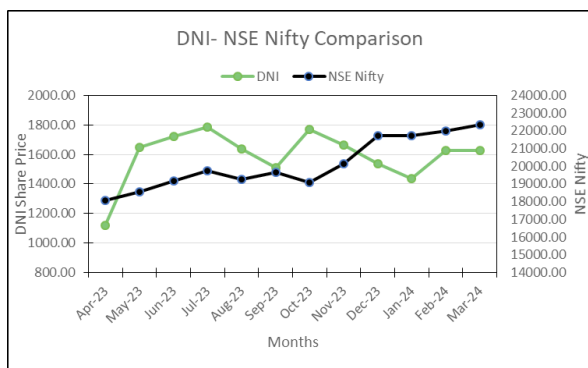
8.20 Market Price Data

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 2023-24 are as below.

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2023	1174.60	854.55	1169.00	854.30
May 2023	1745.00	1051.55	1747.80	1058.40
June 2023	1878.95	1486.75	1875.00	1490.00
July 2023	2336.95	1701.00	2334.00	1700.15
August 2023	1850.00	1545.00	1848.00	1545.00
September 2023	1850.00	1480.25	1840.00	1480.90
October 2023	1844.90	1430.00	1849.00	1433.55
November 2023	1895.05	1650.00	1896.95	1650.45
December 2023	1703.95	1498.00	1700.85	1500.00
January 2024	1639.00	1293.20	1636.75	1293.20
February 2024	1765.35	1416.15	1760.00	1420.00
March 2024	1817.00	1390.55	1817.35	1395.00

8.21 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 March 31, 2024 (based on the month end closing):





8.22 Distribution of Shareholding as on March 31, 2024

Range of holding	Number of shares				Number of Shareholders			
	Physical	Demat	Total	%	Physical	Demat	Total	%
1-500	50042	814798	864840	16.29	461	14706	15167	96.13
501-1000	3455	254774	258229	4.86	5	335	340	2.16
1001-5000	5000	435415	440415	8.30	2	215	217	1.38
5001-10000	0	193693	193693	3.65	0	28	28	0.18
10001-50000	0	438863	438863	8.27	0	20	20	0.13
50001 & above	0	3112594	3112594	58.63	0	5	5	0.03

8.23 Dematerialisation of Shares and Liquidity as on March 31, 2024

Particulars of shares	Shareholders		Shares of ₹ 10 each	
	Number	% of total	Number	% of total
NSDL	5888	37.32	4170103	78.55
CDSL	9421	59.71	1080034	20.34
Sub-Total	15309	97.03	5250137	98.89
Physical form	468	2.97	58497	1.10
Total	15777	100	5308634	100

8.24 Shareholding Pattern as on March 31, 2024

Particulars	Equity shares of ₹ 10 each	
	No. of Shares	%
Promoters (including Promoter Group)	28,49,500	53.68
Clearing Members	10,394	0.19
Corporate Bodies	68,907	1.30
Insurance Companies	11,656	0.22
Trusts	155	0.00
Resident Individuals & HUF	22,10,869	41.65
Foreign Portfolio Investors	5,748	0.11
Non-Resident Indians	93,311	1.76
IEPF A/c	58,094	1.09
Total	53,08,634	100.00

9. Other Disclosures

9.1 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>.



9.2 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.

9.3 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.

9.4 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 Chairperson does not maintain any office at the expense of the Company. The Company reimburses the expenses incurred by the non-executive Chairperson in the performance of her 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 Chairperson of the Board, Ms. Supriya Banerji is an Independent Director, and her 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, 2024.
- **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.

9.5 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>

9.6 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.

9.7 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.

9.8 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.

9.9 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.



9.10 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 2023-24 is as below.

Particulars	Amount (₹ in Lakhs)
Interim & IFC Testing	13,20,000/-
Statutory audit	6,10,000
Limited review	7,20,000/-
Certification	75,000/-
Group reporting	9,00,000/-
Reimbursement of OPE	1,22,843/-
Total	37,47,843/-

9.11 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, 2024, in respect of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is provided in the Director's Report.

9.12 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.

9.13 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 duly approved by the Board of Directors of the Company.

9.14 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.

10. The Company has complied with all the requirements of the corporate governance report as specified in sub-para (2) to (10) of Part C of Schedule V of the Listing Regulations.
11. 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.
12. 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.
13. 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, 2024. A declaration signed by the Managing Director to that effect is annexed herewith as part of this report.
14. 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**

**Supriya Banerji
Chairperson
DIN: 05209284**

Place: Kundaim, Goa
Date: August 12, 2024



**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 - 403 115

I have examined the compliance of conditions of Corporate Governance by **DE NORA INDIA LIMITED** (the Company), for the financial year ended on **31st March, 2024**, 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: 12.08.2024
Place : Porvorim- Goa

Rakhee Raghunath Malkarnekar
Practicing Company Secretary
Mem No. A56859
C P No.: 21439
UDIN : A056859F000952072
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 - 403 115

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, 2024.

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] 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 31st March, 2024 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.	Purushottam Sitaram Mantri	06785989	February 05, 2021
6.	Lalita Correia Afonso	07986827	July 07, 2023

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: 12.08.2024
Place : Porvorim- Goa

Rakhee Raghunath Malkarnekar
Practicing Company Secretary
Mem No. A56859
C P No.: 21439
UDIN : A056859F000952261
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, 2024.

For **De Nora India Limited**

Place: Kundaim, Goa
Date: August 12, 2024

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

1. We have audited the accompanying financial statements of De Nora India Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of Revenue Recognition: (Refer note 2.6 and 26 to the Financial Statements)</p> <p>The Company’s revenue is derived from manufacturing and servicing of electrolytic products, which also includes long term project contracts. The Company recognizes 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.</p> <p>Due to the nature of the company contracts and the underlying contractual obligations and arrangements, the recognition and measurement of revenue involves significant judgements and estimations in assessing the performance obligations and evaluating the Company’s rights to receive payments for performance completed.</p> <p>Considering the above-mentioned factors, appropriateness of revenue recognition has been considered as Key Audit Matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ❖ Understanding and evaluation of the design and testing the operating effectiveness of controls surrounding the recording of revenue in accordance with the principles of Ind AS 115. ❖ Testing of customer contracts on a sample basis to assess the terms for identification of performance obligations in accordance with Ind AS 115 and comparing those to the management assessment. ❖ Performed test of details relating to revenue recognition process i.e., Customer contracts, Invoices, and related approvals. ❖ Testing the appropriateness of timing of recognition of revenue (including procedures related to cut off testing) in line with the terms of the customer contracts. ❖ Tested journal entries for unusual/ irregular revenue transactions if any. ❖ Evaluating appropriateness of the disclosures made in the financial statements. <p>Based on the above procedures, no significant exceptions were noted by us in revenue recognition including those relating to presentation and disclosures as required by Ind AS 115.</p>



Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual 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 do 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 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

6. 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.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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.

10. 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.
11. 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.
12. 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

13. The financial statements of the Company for the year ended March 31, 2023, were audited by another firm of chartered accountants under the Act who, vide their report dated May 4, 2023 expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of this matter.

Report on other legal and regulatory requirements

14. 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 the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. 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, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) 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 A".



- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company 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 as at March 31, 2024.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 50(i) 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 50(ii) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions recorded in the software, except that audit trail was not enabled for certain type of transactions and for direct database changes. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled.
16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
ICAI Firm Registration No. 012754N/N500016

Vivian Pillai
Partner
Membership No. 127791
UDIN: 24127791BKEMFP1914

Place : Pune
Date : April 30, 2024



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of De Nora India Limited on the financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of De Nora India Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. 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 deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.
5. 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
ICAI Firm Registration No. 012754N/N500016

Vivian Pillai
Partner
Membership No. 127791
UDIN: 24127791BKEMFP1914

Place : Pune
Date : April 30, 2024



Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of De Nora India Limited on financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note no. 5 to the financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) 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 granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products and services. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of goods and services tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, cess, and other material statutory dues, as applicable, with the appropriate authorities.
(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.



- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) According to the records of the company examined by us and the information and explanations given to us, the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.



- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 45 to the financial statements), ageing and expected dates of realisation 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
ICAI Firm Registration No. 012754N/N500016

Vivian Pillai
Partner
Membership No. 127791
UDIN: 24127791BKEMFP1914

Place : Pune
Date : April 30, 2024



BALANCE SHEET

As at March 31, 2024

[Amount in Rs Lakhs, unless otherwise stated]

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,297.29	777.19
Capital work-in-progress	7	195.02	219.71
Other intangible assets	6	47.31	12.15
Financial assets			
Investments	8(a)	26.42	16.89
Other financial assets	8(b)	656.88	-
Income Tax Assets (net)	9	119.42	53.10
Deferred tax asset (net)	34	77.01	128.26
Other non-current assets	10	152.64	23.43
Total non-current assets		2,571.99	1,230.73
Current assets			
Inventories	11	2,756.25	2,862.85
Financial assets			
Investments	8(a)	5,423.94	4,149.40
Trade receivables	12	1,022.02	1,703.11
Cash and cash equivalents	13	523.91	384.70
Bank balances other than cash and cash equivalent	14	270.01	1,139.88
Loans	15	3.23	1.26
Other Financial Assets	16	10.04	4.64
Other current assets	17	85.90	89.43
Total current assets		10,095.30	10,335.27
Total assets		12,667.29	11,566.00
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	530.86	530.86
Other equity	19	11,438.05	9,636.75
Total equity		11,968.91	10,167.61
LIABILITIES			
Non-current liabilities			
Provisions	20	-	10.76
Other Non current liabilities	21	1.08	29.68
Total non-current liabilities		1.08	40.44
Current liabilities			
Financial liabilities			
Trade payables	22	-	-
i) total outstanding dues of micro enterprises and small enterprises		8.11	-
ii) total outstanding dues of creditors other than (i) above		344.02	654.31
Other financial liabilities	23	82.93	92.47
Provisions	20	215.92	77.06
Other current liabilities	24	28.30	500.84
Current tax liabilities (net)	25	18.02	33.27
Total current liabilities		697.30	1,357.95
Total liabilities		698.38	1,398.39
Total equity and liabilities		12,667.29	11,566.00
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 Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Vivian Pillai
Partner
Membership No: 127791

Place : Pune
Date : April 30, 2024

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 Mantri
Director
DIN : 06785989
Shrikant Pai
Company Secretary
ICSI Membership No: 40001

Place : Kundaim, Goa
Date : April 30, 2024



STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

[Amount in Rs Lakhs, unless otherwise stated]

	Notes	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Income			
Revenue from operations	26	7,379.62	7,358.02
Other income	27	520.33	385.52
Total income		7,899.95	7,743.54
Expenses			
Cost of raw material consumed	28	2,040.39	2,670.74
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	466.75	(39.19)
Employee benefits expense	30	581.72	622.73
Finance Costs	31	-	1.30
Depreciation and amortization expense	32	114.58	136.87
Other expenses	33	2,174.04	1,635.79
Total expenses		5,377.48	5,028.24
Profit before tax		2,522.47	2,715.30
Income Tax expense			
- Current tax	34	594.54	659.59
- Adjustments for earlier years	34	(24.06)	(1.24)
- Deferred tax	34	51.25	29.35
Total tax expense		621.73	687.70
Profit for the year		1,900.74	2,027.60
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of taxes)			
Changes in fair value of FVTOCI equity Securities		9.53	5.73
Remeasurement of post-employment benefit obligations		(2.79)	(0.74)
Other comprehensive income for the year		6.74	4.99
Total comprehensive income for the year		1,907.48	2,032.59
Earnings per share			
Basic earnings per share	35	35.80	38.19
Diluted earnings per share	35	35.80	38.19
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 Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Vivian Pillai

Partner

Membership No: 127791

Place : Pune

Date : April 30, 2024

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 Mantri

Director

DIN : 06785989

Shrikant Pai

Company Secretary

ICSI Membership No: 40001

Place : Kundaim, Goa

Date : April 30, 2024



STATEMENT OF CASH FLOW

for the year ended March 31, 2024

[Amount in Rs Lakhs, unless otherwise stated]

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash flow from operating activities		
Profit before tax	2,522.47	2,715.30
<u>Adjustments for:</u>		
Depreciation and amortization expenses	114.58	136.87
Interest income	(59.88)	(40.59)
Finance cost	-	1.30
Loss on sale/disposal of property, plant and equipment (net)	3.45	3.55
Unrealised loss / (gain) on foreign exchange (net)	0.83	(0.49)
Reversal of Doubtful/Bad Debts (net)	(46.07)	(22.91)
Reversal of advances to suppliers (net)	-	(20.11)
Provision for/(Reversal of) warranty (net)	141.31	(63.00)
(Reversal of)/Provision for obsolete Stock (net)	(1.93)	42.07
Dividend Income	(0.50)	(0.29)
Gain on sale of investments (net)	(112.70)	(3.36)
Gain on Fair value for change in Investments	(221.95)	(180.63)
Operating Profit before working capital changes	2,339.61	2,567.71
Changes in working capital		
Decrease/ (Increase) in inventories	108.53	(521.07)
Decrease/ (Increase) in trade receivables	726.54	(501.38)
Decrease/ (increase) in current assets	1.56	222.49
Increase in non current assets	(79.54)	-
(Decrease)/ Increase in trade payables	(302.37)	348.78
(Decrease)/ Increase in other financial liabilities	(47.58)	30.33
(Decrease)/ Increase in provisions	(16.94)	15.32
(Decrease)/Increase in other current liabilities	(472.57)	(28.69)
Cash generated from operations	2,257.24	2,133.48
Income tax paid net of refund	(651.13)	(705.98)
Net cash flows from operating activities (A)	1,606.11	1,427.50



STATEMENT OF CASH FLOW

for the year ended March 31, 2024

[Amount in Rs Lakhs, unless otherwise stated]

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(693.21)	(366.07)
Purchase of Investments	(2,239.89)	(1,999.90)
Proceeds from investments	1,300.00	350.00
Proceeds from sale/disposal of property, plant, equipment	4.40	-
Proceeds from fixed deposits	933.78	-
Investment in fixed deposits	(721.82)	(403.13)
Interest received	55.51	39.31
Dividend received	0.50	0.29
Net cash flows used in investing activities (B)	(1,360.73)	(2,379.50)
Cash flow from Financing activities		
Dividend paid	(106.17)	(53.09)
Net cash flows used in financing activities (C)	(106.17)	(53.09)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	139.21	(1,005.09)
Cash and cash equivalents at the beginning of the year	384.70	1,389.79
Cash and cash equivalents at the end of the year	523.91	384.70
Cash and cash equivalents comprise (Refer note 13)		
Balances with banks		
On current accounts	523.59	384.18
Cash on hand	0.32	0.52
Total Cash and cash equivalents at end of the year	523.91	384.70

Statement of cash flows has been prepared under the "Indirect method" in accordance with "Ind AS 7: Statement of Cash Flows".

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 Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Vivian Pillai

Partner

Membership No: 127791

Place : Pune

Date : April 30, 2024

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 : April 30, 2024

Purushottam Mantri

Director

DIN : 06785989

Shrikant Pai

Company Secretary

ICSI Membership No: 40001



STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2024

[Amount in Rs Lakhs, unless otherwise stated]

(A) Equity share capital	As at March 31, 2024	As at March 31, 2023
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Opening	530.86	530.86
Add: issue during the year	-	-
Closing	530.86	530.86

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

Particulars	Reserve and surplus			other reserve		Total
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	FVTOCI Reserve on defined benefit plan	
Balance as at April 01, 2023	736.08	24.65	706.76	8,164.93	(10.85)	9,636.75
Profit for the year	-	-	-	1,900.74	-	1,900.74
Other comprehensive income (net of taxes)	-	-	-	-	(2.80)	6.73
Total other comprehensive income for the year	-	-	-	1,900.74	(2.80)	9.53
Dividend on Equity Shares paid during the year	-	-	-	(106.17)	-	(106.17)
Balance as at March 31, 2024	736.08	24.65	706.76	9,959.50	(13.65)	11,438.05

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 Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/NS00016

For and on behalf of the Board of Directors

De Nora India Limited

CIN: L31200GA1993PLC001335

Vivian Pillai

Partner

Membership No: 127791

Place : Pune

Date : April 30, 2024

Vinay Chopra

Managing Director

DIN : 06543610

Place : Kundaim, Goa

Date : April 30, 2024

Purushottam Mantri

Director

DIN : 06785989

Deepak Nagvekar

Chief Financial Officer

Shrikant Pai

Company Secretary

ICSI Membership No: 40001



Notes forming part of the Financial Statements

[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. Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

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 in use.

The financial statements have been prepared on a historical cost basis, except for the following:

- * Certain financial assets and liabilities is measured at fair value;
- * defined benefit plans - plan assets measured at fair value;

(b) 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.

(c) 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.

(d) 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.

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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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. 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 prescribed under Schedule II to the Companies Act, 2013 as under:

Property, plant and equipment	
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 Land are amortized over the lease period, which corresponds with the useful lives of the assets.

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 respective heads.

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:

Intangible assets	
Computer Software	3-5 years

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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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 investment made by company in mutual funds.

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.

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.

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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(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 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 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.

2.9 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

[Amount in Rs. Lakhs, unless otherwise stated]

The recoverable amount of an asset (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").

2.10 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.

The Company offers assurance-type 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 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.

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.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and cash on hand, 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 and cash in banks.

2.12 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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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).

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. Fair value income from these financial assets has 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 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

For trade receivables only, the Company applies the simplified approach required by IndAS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on financial assets (trade receivable) 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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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.

(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 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.

(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.

2.13 Employee Benefits

(a) Short-term obligations

Liabilities for salaries and wages, 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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(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.

2.14 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.

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, 2024 are as below :



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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 Material 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) 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.

(c) Expected credit loss on trade receivable

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(d) Warranty expenses

The Company offers assurance-type 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 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.

(e) 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.

4. New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

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

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

5 Property, plant and equipment

Particulars	Gross block		Depreciation		Net block		
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	For the year	Deductions/ Adjustments	As at March 31, 2024
Leasehold Land	10.84	-	-	10.84	0.20	-	1.58
Office building	17.32	-	-	17.32	0.43	-	3.45
Factory building	265.37	123.94	-	389.31	18.22	-	144.37
Plant and Machinery	693.13	409.23	37.23	1,065.13	65.12	33.55	172.48
Furniture and Fixtures	45.08	10.06	-	55.14	4.45	-	25.77
Vehicles	29.45	42.39	14.42	57.42	5.76	10.98	6.60
Office Equipment	65.06	18.03	1.48	81.61	7.46	0.75	51.57
Computers	25.97	33.89	3.41	56.45	7.95	3.41	30.11
Total	1,152.22	637.54	56.54	1,733.22	109.59	48.69	435.93

Particulars	Gross block		Depreciation		Net block		
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	For the year	Deductions/ Adjustments	As at March 31, 2023
Leasehold Land	10.84	-	-	10.84	0.20	-	1.38
Office building	17.32	-	-	17.32	0.43	-	3.02
Factory building	246.94	18.43	-	265.37	17.59	-	126.15
Plant and Machinery	567.87	136.63	11.37	693.13	53.30	7.82	140.91
Furniture and Fixtures	31.01	14.07	-	45.08	3.60	-	21.32
Vehicles	29.45	-	-	29.45	4.30	-	11.82
Office Equipment	61.53	3.53	-	65.06	7.00	-	44.86
Computers	27.90	0.96	2.89	25.97	6.46	2.89	25.57
Total	992.86	173.62	14.26	1,152.22	92.88	10.71	375.03



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

6 Other intangible assets

Particulars	Gross block			Amortisation			Net block		
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As at April 01, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024
Computer Software	893.61	40.15	-	933.76	881.46	4.99	-	886.45	47.31
Total	893.61	40.15	-	933.76	881.46	4.99	-	886.45	47.31

Particulars	Gross block			Amortisation			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
Computer Software	882.76	10.85	-	893.61	837.47	43.99	-	881.46	12.15
Total	882.76	10.85	-	893.61	837.47	43.99	-	881.46	12.15



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

7 Capital-Work-in Progress (CWIP)

As at March 31, 2024

Particulars	Amount in CWIP for a period of			
	As at April 01, 2023	Additions during the year	Capitalised during the year	As at March 31, 2024
Projects in progress	219.71	190.86	215.55	195.02

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
Projects in progress	64.14	252.24	96.67	219.71

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

As at March 31, 2024

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	193.59	1.43	-	-	195.02

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

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(a) Financial Assets- Investments

	As at March 31, 2024	As at March 31, 2023
Non Current Investments		
Equity Investments at Fair value through Other Comprehensive Income (FVOCI)		
- Quoted equity shares		
10,000 (March 31, 2023 : 10,000) equity shares of Bank of Baroda of Rs 2 each, (March 31, 2023 : Rs.2 each) fully paid-up	26.42	16.89
Total Non Current Investments	26.42	16.89
Current Investments		
Investments in Mutual Funds at Fair value through profit and loss (FVTPL)		
- Investments in Mutual Funds (unquoted) (Refer footnote i)	5,423.94	4,149.40
Total Current Investments	5,423.94	4,149.40
Current	5,423.94	4,149.40
Non- Current	26.42	16.89
	5,450.36	4,166.29
Aggregate book value of:		
Mutual Funds (unquoted)	5,423.94	4,149.40
Aggregate market value of:		
Mutual Funds (unquoted)	5,423.94	4,149.40
Aggregate amount of impairment in value of Investments	-	-



Notes forming part of the Financial Statements

[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, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
HDFC Ultra Short Term Fund - Direct Plan - Growth	182.01	158.13	2,564.27	2,072.49
TATA Money Market Fund Direct Plan - Growth	0.54	0.46	2,344.72	1,862.41
TATA Ultra Short Term Fund - Direct Plan - Growth	17.05	17.05	230.68	214.50
Nippon India Ultra Short Duration fund	0.03	-	137.04	-
Nippon India Short Term Fund	2.67	-	137.17	-
Bajaj Finserve Liquid Fund	0.01	-	5.03	-
Bajaj Finserve Money Market Fund	0.01	-	5.03	-
	202.31	175.64	5,423.94	4,149.40

8(b) Other financial assets

	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks (Refer footnote i below)	656.88	-
	656.88	-

i. Earmarked balances with banks primarily include Bank guarantee.

9 Income Tax Assets (net)

	As at March 31, 2024	As at March 31, 2023
Income tax receivable [net of provision]	119.42	53.10
	119.42	53.10

10 Other non-current assets

	As at March 31, 2024	As at March 31, 2023
Surplus in Gratuity fund (funded) (Refer Note 36)	0.76	-
Balance with Government authorities	78.78	-
Capital advance (Refer footnote i below)	73.10	23.43
Total other non-current assets	152.64	23.43

(i) Value of contracts in capital account remaining to be executed as at March 31, 2024 is Rs. 227.93 Lakhs (March 31, 2023: Rs. 53.81 Lakhs).

11 Inventories

	As at March 31, 2024	As at March 31, 2023
(Valued at the lower of cost and net realizable value)		
Raw material (includes goods in transit INR 0.22 lakhs (March 31, 2023:Nil))	2,441.34	2,081.19
Work in progress	232.40	694.54
Finished goods	82.51	87.12
Total Inventories	2,756.25	2,862.85

Value of inventories above is stated after provisions (net of reversal) INR 241.68 Lakhs (March 31, 2023: INR 243.61 Lakhs) for write-downs to net realisable value and provision for obsolete items.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

12 Trade receivable

	As at March 31, 2024	As at March 31, 2023
Secured, considered good		
Unsecured, considered good		
'Undisputed Trade receivables – considered good	1,085.05	1,812.90
'Trade receivable which have significant increase in credit risk	51.78	51.78
Less : Loss allowance	(114.81)	(161.57)
Total Trade Receivable	1,022.02	1,703.11
Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.		
Further classified as:		
Receivable from related parties (Refer note 37)	107.12	141.69
Receivable from others	914.90	1,561.42
	1,022.02	1,703.11

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

	As at March 31, 2024	As at March 31, 2023
De Nora Deutschland GmbH	27.20	11.90
	27.20	11.90

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

As at March 31, 2024

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 good	-	463.32	577.95	40.34	0.16	2.20	1.08	1,085.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	51.78	51.78
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Loss allowance	-	(14.46)	(6.35)	(40.19)	(0.11)	(1.21)	(52.49)	(114.81)
Total	-	448.86	571.60	0.15	0.05	0.99	0.37	1,022.02



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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 good	-	1247.76	464.72	1.28	15.16	79.95	4.03	1,812.90
(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	51.78
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Loss allowance	-	-	(12.07)	(1.01)	(15.16)	(111.99)	(21.34)	(161.57)
Total	-	1,247.76	452.65	0.27	-	-	2.43	1,703.11

13 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
in current accounts	523.59	384.18
Cash on hand	0.32	0.52
Total Cash and cash equivalents	523.91	384.70

Cash balances on current account and EEFC Account do not earn interest. 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, 2024	As at March 31, 2023
In Fixed deposit with maturity for more than 3 months but less than 12 months	264.76	1,132.47
Earmarked Balances - Unpaid dividend #	5.25	7.41
Total Bank balances other than Cash and cash equivalent	270.01	1,139.88

Amount restricted in use on account of unpaid dividend. Amount due to be transferred to the Investors Education & Protection Fund as at March 31, 2024 Rs. 3.19 Lakhs (March 31, 2023 - Rs. 1.19 Lakhs) on 01/11/2023.

15 Loans

	As at March 31, 2024	As at March 31, 2023
<u>Unsecured, considered good</u>		
Employee receivable/dues	3.23	1.26
Total Loans	3.23	1.26



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

16 Other Financial Assets

	As at March 31, 2024	As at March 31, 2023
Security deposits	5.64	2.28
Interest Accrued on Fixed Deposits	4.40	2.36
Total Other Financial Assets	10.04	4.64

17 Other current assets

	As at March 31, 2024	As at March 31, 2023
Advances to Suppliers	48.70	42.79
Value/Refund to be received from revenue authorities	2.03	12.28
Prepaid expenses	26.46	20.39
Other receivables	8.71	13.97
Total Other current assets	85.90	89.43

18 Share capital

(a) Equity shares

	As at March 31, 2024	As at March 31, 2023
Authorized		
1,00,00,000 (March 31, 2023 - 1,00,00,000) Equity shares of INR 10 each	1,000.00	1,000.00
	1,000.00	1,000.00
Issued, subscribed and paid up		
53,08,634 (March 31, 2023 - 53,08,634) Equity Shares of INR 10 each fully paid	530.86	530.86
Total	530.86	530.86

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

	As at March 31, 2024		As at March 31, 2023	
	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	53.09	530.86	53.09	530.86

(c) Rights, preferences and restrictions attached to 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 April 30, 2024 has recommended a final dividend of INR 2/- per equity share of INR 10/- each (previous year INR 2/- per equity share of INR 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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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

	As at March 31, 2024	As at March 31, 2023
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 March 31, 2024		As at March 31, 2023	
	Nos. of shares in lakhs	% of holding in the class	Nos. of shares in lakhs	% of holding in the class
Equity shares of Rs. 10 each fully paid				
Oronzio De Nora International B. V.	28.50	53.68%	28.50	53.68%

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

Promoter name	As at March 31, 2024			As at March 31, 2023		
	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 (SPR)*

	As at March 31, 2024	As at March 31, 2023
Opening balance	736.08	736.08
Add : Securities premium credited on share issue	-	-
Closing balance	736.08	736.08

*SP is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(B) General reserve (GR)*

	As at March 31, 2024	As at March 31, 2023
Opening balance	706.76	706.76
Add: movement during the year	-	-
Closing balance	706.76	706.76

*Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(C) Capital redemption reserve (CRR)*

	As at March 31, 2024	As at March 31, 2023
Opening balance	24.65	24.65
Movement during the year	-	-
Closing balance	24.65	24.65

* 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 in the Statement of Profit and Loss

	As at March 31, 2024	As at March 31, 2023
Opening balance	8,164.93	6,190.42
Add: Net Profit for the current year	1,900.74	2,027.60
Dividend on Equity Shares	(106.17)	(53.09)
Closing balance	9,959.50	8,164.93

(E) Investments FVTOCI Reserve on equity instruments *

	As at March 31, 2024	As at March 31, 2023
Opening balance	15.18	9.45
Changes in fair value	9.53	5.73
Closing balance	24.71	15.18

* 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, 2024	As at March 31, 2023
Opening Balance	(10.85)	(10.11)
Remeasurement gain / (loss) on defined benefit plans (net of tax)	(2.80)	(0.74)
Closing balance	(13.65)	(10.85)
* 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.		
Total other equity	11,438.05	9,636.75

20 Provisions

	Current		Non Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 36)				
Provision for gratuity (funded)	-	-	-	10.76
Provision for Sick Leave availment (funded)	3.82	6.27	-	-
	3.82	6.27	-	10.76
Other provisions				
Provision for warranties (Refer note 43)	212.10	70.79	-	-
	212.10	70.79	-	-
Total Provisions	215.92	77.06	-	10.76



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

21 Other Non Current Liabilities	As at March 31, 2024	As at March 31, 2023
Employee Payable	1.08	29.68
	1.08	29.68

22 Trade payables	As at March 31, 2024	As at March 31, 2023
A. Total outstanding dues of micro enterprises and small enterprises (Refer footnote i)	8.11	-
B. Total outstanding dues of creditors other than (i) above	344.02	654.31
Further classified as:		
Payable from related parties	219.57	192.68
Payable from others	132.56	461.63

Include due from following companies in which the Company is having common directors:	As at March 31, 2024	As at March 31, 2023
De Nora Deutschland GmbH	1.74	4.80

(i) Amount due to micro and small enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

	As at March 31, 2024	As at March 31, 2023
(a) Principal amount remaining unpaid to supplier at the end of the year	8.11	-
(b) Interest due thereon remaining unpaid to supplier at the end of the year	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(d) Amount of interest accrued and remaining unpaid at the end of the year	-	-

(ii) Ageing schedule of trade payable is as follows

As at March 31, 2024

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	
Undisputed dues - micro enterprises and small enterprises	-	8.11	-	-	-	-	8.11
Disputed dues – micro enterprises and small enterprises	-	-	-	-	-	-	-
Undisputed dues - Others	250.77	58.42	16.17	-	-	18.66	344.02
Disputed dues - Others	-	-	-	-	-	-	-
Total	250.77	66.53	16.17	-	-	18.66	352.13



Notes forming part of the Financial Statements

[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	
Undisputed dues - micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues – micro enterprises and small enterprises	-	-	-	-	-	-	-
Undisputed dues - Others	255.48	342.78	24.08	2.33	9.11	20.53	654.31
Disputed dues - Others	-	-	-	-	-	-	-
Total	255.48	342.78	24.08	2.33	9.11	20.53	654.31

Refer Note 37 for trade payables to related parties

23 Other financial liabilities

	As at March 31, 2024	As at March 31, 2023
(at amortised cost)		
Employee Payable	64.04	80.86
Unpaid Dividend (Refer footnote i)	5.25	7.41
Capital creditors	13.64	4.20
Total other financial liabilities	82.93	92.47

(i) During the year ended March 31, 2024 unpaid dividend of Rs. 3.19 Lakhs (previous year ended March 31, 2023 unpaid dividend of Rs. 1.19 Lakhs) was transferred to Investor Education Protection Fund.

24 Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Statutory due payable	23.81	59.88
Advance from customer	4.49	440.96
Total other current liabilities	28.30	500.84

25 Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (net of advance tax)	18.02	33.27
	18.02	33.27

26 Revenue from operations

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Revenue from contracts with customers		
- Sale of Products	2,053.87	1,221.16
- Sale of services	5,318.84	6,035.40
(I)	7,372.71	7,256.56
Other operating revenue		
- Sale of Scrap	2.29	11.62
- Duty Drawback	4.62	89.84
(II)	6.91	101.46
Total Revenue from operations	7,379.62	7,358.02



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

Disaggregated revenue information

Set out below is the disaggregation of the Companies revenue from contracts with customers

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Location		
India	7,196.63	6,323.58
Outside India	182.99	1,034.44
Total Revenue from contracts with customers	7,379.62	7,358.02
Timing of revenue recognition		
At a point in time	7,379.62	7,358.02

27 Other income

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest income		
- On deposits with bank	59.81	40.34
- On income taxes	-	0.10
- On Others	0.07	0.15
Dividend income		
- from current investments	0.50	0.29
Profit on sale of current investments	112.70	3.36
Other non operating income		
- Fair valuation adjustments of Investments designated as FVTPL*	221.95	180.63
- Sale of miscellaneous scrap	18.39	14.83
Income from deputations services	39.51	36.23
Reimbursement of Expenses	9.04	-
Warranty provision written back	-	63.00
Provision for advances to suppliers written back (net)	-	20.11
Provision for doubtful debts written back (net)	46.07	22.91
Miscellaneous income	12.29	3.57
Total Other Income	520.33	385.52

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

28 Cost of material consumed

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Inventory at the beginning of the year	2,081.19	1,641.38
Add: Purchases	2,400.54	3,110.55
Less: Inventory at the end of the year	(2,441.34)	(2,081.19)
Cost of raw material consumed	2,040.39	2,670.74



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Inventories at the beginning of the year		
-Finished goods (Refer note 11)	87.12	99.47
-Work-in-progress (Refer note 11)	694.54	643.00
	781.66	742.47
Less: Inventories at the end of the year		
-Finished goods (Refer note 11)	82.51	87.12
-Work-in-progress (Refer note 11)	232.40	694.54
	314.91	781.66
Net decrease/ (increase)	466.75	(39.19)

30 Employee benefits expense

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salaries, wages, bonus, ex-gratia and other allowances	481.34	522.37
Contribution to Provident Fund and Other Social Securities funds / schemes # (Refer Note 36)	45.39	43.26
Contribution to Gratuity fund (Refer note 36)	11.73	11.21
Staff welfare and other employee expenses	43.26	45.89
Total Employee benefits expense *	581.72	622.73

31 Finance Costs

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest on delayed payment of income tax	-	1.30
	-	1.30

32 Depreciation and amortization expense

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Depreciation (Refer note 5)	109.59	92.88
Amortization (Refer note 6)	4.99	43.99
Total Depreciation and amortization expense	114.58	136.87



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

33 Other expenses	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Stores and spares consumed	107.87	107.50
Packing material consumed	13.65	22.60
Job work charges	122.35	64.57
Labour charges	223.61	185.85
House Keeping charges	26.42	23.37
Electricity and water	90.17	81.58
Rates and Taxes	1.03	3.59
Repairs and maintenance-Building	260.09	198.78
Repairs and maintenance- Machinery	64.32	27.76
Repairs and maintenance - others	80.07	68.44
Insurance	38.98	29.71
Provision for Warranty	141.31	-
Foreign exchange fluctuation (net)	6.85	12.64
Travel and conveyance	100.65	77.19
Freight and forwarding	31.78	9.59
Communication, broadband and internet expenses	10.27	10.87
Loss on sale/disposal of Property Plant and Equipment (Net)	3.45	3.55
Corporate Social Responsibility (CSR) expenses (refer note no. 46)	35.87	25.88
Printing & Stationery	7.40	6.03
Advertisement and sales promotion	12.69	7.87
Legal and professional charges**	470.80	403.32
Bank charges	17.91	6.96
Donation	0.16	0.11
Royalty	223.31	209.12
Security Charges	32.50	31.35
Subscription & Membership	3.59	3.77
Directors' Sitting Fees	1.95	2.10
Other Operating Expenses	13.20	0.29
Miscellaneous expenses	31.79	11.41
Total Other Expenses	2,174.04	1,635.79

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

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
As auditor:		
Statutory audit	26.50	26.50
In other capacity:		
Certification	0.75	-
Tax audit	2.00	2.00
Other services	9.00	-
Reimbursement of expenses	1.23	0.25
Total	39.48	28.75



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

34 Income Tax

(A) Deferred tax relates to the following:

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Deferred tax assets		
On provision for employee benefits	15.12	26.97
On disallowance u/s 40A of Income Tax Act, 1961	45.75	47.44
On Provision for warranty	53.38	17.82
On Provision for doubtful receivables	28.90	40.66
On Provision for inventory obsolescence	60.83	60.34
On others	19.81	12.90
(I)	223.79	206.13
Deferred tax liabilities		
On property, plant and equipment	44.71	31.65
On fair value change of Investment	102.07	46.22
(II)	146.78	77.87
Deferred tax asset, net	(I - II) 77.01	128.26

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Opening balance as of 1 April	128.26	157.36
Effect on tax liability recognized in Statement of Profit and Loss	(68.90)	(39.74)
Effect on tax asset / (liability) recognized in OCI	-	-
On re-measurements gain/(losses) of post-employment benefit obligations	0.93	0.25
Effect on tax asset recognized in Statement of Profit and Loss	16.72	10.39
Closing balance as at 31 March	77.01	128.26

(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Tax liability	68.90	39.74
Tax asset	(16.72)	(10.39)
	52.18	29.35

(D) Income tax expense

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
- Current tax taxes	594.54	659.59
- Adjustments in respect of current income tax of previous year	(24.06)	(1.24)
- Deferred tax charge / (income)	51.25	29.35
Income tax expense reported in the statement of profit or loss	621.73	687.70



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(E) Income tax expense charged to OCI

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Effects on remeasurements of defined benefit plans	(0.93)	(0.25)
Income tax charged to OCI	(0.93)	(0.25)

(F) Reconciliation of tax charge

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Profit before tax	2,522.47	2,715.30
Tax Rate	25.17%	25.17%
Income tax expense at tax rates applicable	634.85	683.39
Tax effects of:		
- Item not deductible for tax / (taxable)		
Corporate Social Responsibility (CSR) expenses	9.03	6.51
Others	1.91	(0.96)
Earlier year adjustment	(24.06)	(1.24)
Income tax expense	621.73	687.70

35 Earnings per share

Basic earnings 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, 2024	For the Year ended March 31, 2023
Profit attributable to equity holders	1,900.74	2,027.60
Weighted average number of equity shares for basic EPS (Nos in lacs)	53.09	53.09
Weighted average number of equity shares adjusted for the effect of dilution (Nos in lacs)	53.09	53.09
Basic Earnings per share (INR)	35.80	38.19
Diluted Earnings per share (INR) (Refer footnote (i) below)	35.80	38.19

(i) There are no dilutive potential equity shares issued by the company and hence there is no dilution of the earnings. Hence, diluted EPS is same as basis earning per share.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

36 Employee benefits

A) Defined Contribution Plans

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –		
Employers' Contribution to Provident Fund	24.23	22.70
Employers' Contribution to Pension Fund	7.26	7.52
Employers' Contribution to Superannuation Fund	13.76	12.89
Social securities employers' contributions	0.14	0.15
Total	45.39	43.26

(B) Defined benefit plans

	As at March 31, 2024	As at March 31, 2023
Surplus in Gratuity Fund / (Gratuity payable to employees) (Refer Note 10 and 20)	0.76	(10.76)

i) Actuarial assumptions

	As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	7.20%	7.45%
Rate of increase in Salary	8.00%	8.00%
Expected average remaining working lives of employees (years)	8.98	8.73
Attrition rate	3.00%	3.00%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

ii) Changes in the present value of defined benefit obligation and plan assets

	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the beginning of the year	250.30	247.19
Interest cost	16.97	15.68
Current service cost	12.61	12.72
Benefits paid	(14.00)	(22.45)
Actuarial (gain)/ loss on obligations	8.94	(2.84)
Present value of obligation at the end of the year	274.82	250.30
Plan assets at the beginning of the year	239.54	247.36
Expected return of plan assets	17.85	17.19
Contributions	26.98	1.27
Benefits paid	(14.00)	(22.45)
Actuarial gain/(loss) on asset balances	5.21	(3.83)
Plan assets at the end of the year	275.58	239.54



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

iii) Expense recognized in the Statement of Profit and Loss

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Current service cost	12.61	12.72
Interest cost	16.97	15.68
Expected return on plan assets	(17.85)	(17.19)
Total expenses recognized in the Statement Profit and Loss*	11.73	11.21

* Included in Employee benefits expense (Refer Note 30). Actuarial loss (net of taxes) of INR 2.79 Lakhs (March 31, 2023 : Rs 0.74 Lakhs) is included in other comprehensive income.

iv) Assets and liabilities recognized in the Balance Sheet:

	As at March 31, 2024	As at March 31, 2023
Present value of funded obligation as at the end of the year	274.82	250.30
Fair Value of Plan Assets	275.58	239.54
Net defined benefit asset / (liability) recognized in Balance Sheet*	0.76	(10.76)

* Liability included in provision for employee benefits and asset in other non-current assets (Refer note 20)

v) Expected contribution to the fund in the next year

	As at March 31, 2024	As at March 31, 2023
Gratuity	44.14	45.02

vi) Expected Gratuity cost to be recognised in the Statement of Profit and Loss for the next year

	As at March 31, 2024	As at March 31, 2023
Expected Gratuity cost to be recognised in the Statement of Profit and Loss for the next year	11.96	11.73

vii) A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Impact on defined benefit obligation		
Discount rate		
'-100 basis points impact (%)	16.15	15.48
'+100 basis points impact (%)	(14.68)	(14.02)
Rate of increase in salary		
'-100 basis points impact (%)	(14.71)	(14.08)
'+100 basis points impact (%)	15.87	15.25



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

viii) Maturity profile of defined benefit obligation

Expected future cash flows

	As at March 31, 2024	As at March 31, 2023
Year		
Year 1	44.14	45.02
Year 2	13.82	12.71
Year 3	26.04	12.96
Year 4	53.55	24.25
Year 5	19.73	48.20
Year 6 to 10	163.43	130.63
Above 10 years	120.09	145.10

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)

Ms. Supriya Banerji (w.e.f 05.07.2023 till Present)

Chairman & Non Executive Independent Director

Mr. Satish Dhume (Upto 22.05.2023)

Chairman & Independent Director

Mr. Vinay Chopra

Managing Director

Mr. Purushottam Mantri

Non-Executive & Independent Director

Ms Lalita Afonso (w.e.f 05.07.2023 till Present)

Non-Executive & Independent Director

Mr. Robert Scannell

Non-Executive Director

Mr. Francesco L'Abbate

Non-Executive Director

Mr. Deepak Nagvekar

Chief Financial Officer

Mr. Shrikant Pai

Company Secretary

Other related parties with whom transactions have taken place during the year

De Nora Deutschland GmbH

Fellow subsidiary

De Nora Tech LLC

--do--

De Nora Water Technologies LLC- Singapore Branch

--do--

De Nora Italy S.r.l Singapore Branch

--do--

De Nora Elettrodi (Suzhou) Co. Ltd

--do--

De Nora Italy S.r.L

--do--

Thyssenkrupp Nucera AG & Co.

--do--



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(B) **Details of transactions with related party in the ordinary course of business for the year ended March 31, 2024**

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	Total
Purchase of raw material, trading goods and spares					
De Nora Deutschland GmbH	-	-	46.26	-	46.26
	(-)	(-)	(49.63)	(-)	(49.63)
De Nora Italy S.r.L	-	-	-	-	-
	(-)	(-)	(2.59)	(-)	(2.59)
De Nora Tech LLC	-	-	6.08	-	6.08
	(-)	(-)	(-)	(-)	(-)
Purchase of services					
Industrie De Nora S.p.A	-	417.95	-	-	417.95
	(-)	(349.38)	(-)	(-)	(349.38)
De Nora Deutschland GmbH	-	-	14.31	-	14.31
	(-)	(-)	(19.26)	(-)	(19.26)
De Nora Water Technologies LLC- Singapore Branch	-	-	115.95	-	115.95
	(-)	(-)	(-)	(-)	(-)
Purchase of intangible assets					
Industrie De Nora S.p.A	-	40.15	-	-	40.15
	(-)	(10.01)	(-)	(-)	(10.01)
Purchase of Property Plant and Equipment (including CWIP)					
De Nora Deutschland GmbH	-	-	-	-	-
	(-)	(-)	(156.58)	(-)	(156.58)
Payment of Dividend					
Oronzio De Nora International B.V.	56.99	-	-	-	56.99
	(28.50)	(-)	(-)	(-)	(28.50)
Royalty					
Industrie De Nora S.p.A	-	223.31	-	-	223.31
	(-)	(209.12)	(-)	(-)	(209.12)
Sale of goods and services					
De Nora Italy S.r.L	-	-	95.66	-	95.66
	(-)	(-)	(894.67)	(-)	(894.67)
De Nora Deutschland GmbH	-	-	75.05	-	75.05
	(-)	(-)	(86.36)	(-)	(86.36)
De Nora Italy S.r.l Singapore Branch	-	-	13.29	-	13.29
	(-)	(-)	(29.35)	(-)	(29.35)
Thyssenkrupp Nucera AG & Co. K	-	-	-	-	-
	(-)	(-)	(0.27)	(-)	(0.27)
Other Income					
De Nora Tech LLC	-	-	-	-	-
	(-)	(-)	(1.63)	(-)	(1.63)



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	Total
Recovery of expenses					
De Nora Italy S.r.L	-	-	0.38	-	0.38
	(-)	(-)	(3.09)	(-)	(3.09)
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	39.51	-	39.51
	(-)	(-)	(36.23)	(-)	(36.23)
Oronzio De Nora International B.V.	10.62	-	-	-	10.62
	(-)	(-)	(-)	(-)	(-)
Sitting Fees to Non-Executive Directors					
Mr Satish Dhume	-	-	-	0.15	0.15
	(-)	(-)	(-)	(0.60)	(0.60)
Ms. Supriya Banerji	-	-	-	0.45	0.45
	(-)	(-)	(-)	(0.30)	(0.30)
Mr. Purushottam S. Mantri	-	-	-	0.70	0.70
	(-)	(-)	(-)	(0.70)	(0.70)
Ms Lalita Afonso	-	-	-	0.35	0.35
	(-)	(-)	(-)	(-)	(-)
Mr. Robert Scannell	-	-	-	0.25	0.25
	(-)	(-)	(-)	(0.40)	(0.40)
Mr. Francesco L'Abbate	-	-	-	0.05	0.05
	(-)	(-)	(-)	(0.10)	(0.10)
Managerial Remuneration					
Mr. Vinay Chopra	-	-	-	89.33	89.33
	(-)	(-)	(-)	(83.39)	(83.39)
Mr. Deepak Nagvekar	-	-	-	44.61	44.61
	(-)	(-)	(-)	(44.73)	(44.73)
Mr. Shrikant Pai	-	-	-	11.44	11.44
	(-)	(-)	(-)	(10.45)	(10.45)
Amount due from (Trade Receivable)					
De Nora Deutschland GmbH	-	-	27.20	-	27.20
	(-)	(-)	(11.90)	(-)	(11.90)
De Nora Elettrodi (Suzhou) Co. Ltd	-	-	9.56	-	9.56
	(-)	(-)	(10.26)	(-)	(10.26)
De Nora Water Technologies LLC- Singapore Branch	-	-	-	-	-
	(-)	(-)	(1.84)	(-)	(1.84)
De Nora Italy S.r.l Singapore Branch	-	-	13.15	-	13.15
	(-)	(-)	(-)	(-)	(-)
De Nora Tech LLC	-	-	-	-	-
	(-)	(-)	(1.63)	(-)	(1.63)
De Nora Italy S.r.L	-	-	46.59	-	46.59
	(-)	(-)	(115.77)	(-)	(115.77)
Thyssenkrupp Nucera AG & Co.	-	-	-	-	-
	(-)	(-)	(0.30)	(-)	(0.30)
Oronzio De Nora International B.V.	10.62	-	-	-	10.62
	(-)	(-)	(-)	(-)	(-)



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow subsidiaries	Key Management Personnel (KMP)	Total
Amount due to (Trade Payable)					
Industrie De Nora S.p.A	-	206.34	-	-	206.34
	(-)	(177.00)	(-)	(-)	(177.00)
De Nora Water Technologies LLC- Singapore Branch	-	-	11.49	-	11.49
	(-)	(-)	(10.88)	(-)	(10.88)
De Nora Deutschland GmbH	-	-	1.74	-	1.74
	(-)	(-)	(4.80)	(-)	(4.80)
Mr. Robert Scannell	-	-	-	0.12	0.12
	(-)	(-)	(-)	(1.03)	(1.03)
Mr. Francesco L'Abbate	-	-	-	0.04	0.04
	(-)	(-)	(-)	(0.40)	(0.40)

Amounts in brackets pertains to previous year ended March 31, 2023

(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, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023 - Nil).

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, 2023, 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

The Company up to the June 2023 quarter and in earlier years, had two reporting segments, namely Electrode Technologies and Water Technologies. From last few quarters the Water Technologies business has been declining and is not significant compared to the Electrode Technologies business and also to the operations of the Company. Considering that the Water Technologies business is not significant, the chief operating decision maker (CODM) has decided to look at the company performance at single unit level from current year onwards. Accordingly, the CODM has identified Electrode Technologies as its only reportable segment in accordance with the requirements of Ind AS 108- Operating Segments and no segment information has been provided.

Below is information from entity wide disclosure required in accordance with Ind AS 108 - Operating Segments:

Geographical information



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

The Company is domiciled in India. The amount of its revenue broken down by location of the customers is shown in the table.

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
India	7,196.63	6,323.58
Outside India	182.99	1,034.44
Total	7,379.62	7,358.02

Major customers	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:		
Customer A	1,752.49	3,866.97
Customer B	1,372.77	866.93
Customer C	1,313.73	-
Total	4,438.99	4,733.90

39 Fair values of financial assets and financial liabilities

A. Accounting classification and fair values

Note 40 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.

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, investment in equity shares and mutual funds, 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 : The fair value of financial instruments traded in active markets (such as equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.
- Level 2 : The fair value Of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 : If one or more Of the significant inputs is not based on observable market data, the instrument is included in, level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

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, 2024	As at March 31, 2023
(a) <u>Financial Assets measured at fair value</u>		
Level 1 (Quoted price in active markets)		
Investments in mutual funds FVTPL	5,423.94	4,149.40
(b) <u>Financial assets measured at FVTOCI</u>		
Level 1		
Investments in equity instruments FVTOCI	26.42	16.89

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 any levels during the year.

'There are no assets measured at level 2 during the year.

	As at March 31, 2024	As at March 31, 2023
<u>Financial assets measured at amortized cost (at level 3)</u>		
Trade receivables (Note 12)	1,022.02	1,703.11
Cash and cash equivalents (Note 13)	523.91	384.70
Banks and other Cash and cash equivalents (Note 14)	270.01	1,139.88
Loans (Note 15)	3.23	1.26
Other Financial Assets (Current) (Note 16)	10.04	4.64
Other Financial Assets (non Current) (Note 8(b))	656.88	-
<u>Financial liabilities measured at amortized cost (at Level 3)</u>		
Trade payables (Note 22)	352.13	654.31
Other financial liabilities (Note 23)	82.93	92.47

The above items are considered to same as their fair value, considering they are short term in nature or in equivalent to there fair value.

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 any debt obligations outstanding as at balance sheet date.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(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, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
Financial assets #				
Trade receivables	-	96.50	3.47	138.40
	-	96.50	3.47	138.40
Financial liabilities				
Trade payables #	11.49	41.56	11.43	275.92
	11.49	41.56	11.43	275.92
Net exposure to foreign currency risk assets / (liabilities)	(11.49)	54.94	(7.95)	(137.52)

the foreign currency exposure hedged by the Company as at March 31, 2024 is Nil (March 31, 2023 - Nil)

(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 1% change in foreign currency rates.

	Impact on profit before tax	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023
USD		
- Increase by 1%	(0.11)	(0.08)
- Decrease by 1%	0.11	0.08
EUR		
- Increase by 1%	0.55	(1.38)
- Decrease by 1%	(0.55)	1.38



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(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, 2024, the investments in mutual funds amounts to Rs. 5,423.94 Lakhs (March 31, 2023: Rs. 4,149.39 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 Debt mutual funds.

1% increase in prices would have led to approximately an additional Rs. 54.23 lakhs gain in the Statement of Profit and Loss (2022-23: Rs.41.49 lakhs gain). 1% decrease in prices would have led to approximately an additional Rs. 54.23 lakhs loss in the Statement of Profit and Loss (2022-23: Rs.41.49 lakhs loss).

(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 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 good credit ratings and strong repayment capacity. Investment in securities primarily include investment in liquid mutual funds 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 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, 2024	As at March 31, 2023
Not due	463.32	1,247.76
Past due 1-180 days	577.95	464.72
Past due for more than 180 days	43.78	152.20
	1,085.05	1,864.68

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. The company follows simplified approach for recognition of impairment loss allowance on Trade receivables, in respect of receivable from related parties the company does not use expected credit loss model to assess the impairment loss as there is no credit risk involved and no past history of default from related parties.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

'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.

Loss allowance as at 31 March 2024 and 31 March 2023 was determined as follows for trade receivable under simplified approach:

As at March 31, 2024	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 years	2-3 years	More than 3 years	
Trade receivable	-	463.32	577.95	40.34	0.16	2.20	52.86	1,136.83
Out of above, related party balances	-	79.28	27.84	-	-	-	-	107.12
Loss allowance	-	14.46	6.35	40.19	0.11	1.21	52.49	114.81

As at March 31, 2023	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 years	2-3 years	More than 3 years	
Trade receivable	-	1,247.76	464.72	1.28	15.16	111.99	23.77	1,864.68
Out of above, related party balances	-	20.32	119.23	0.30	-	-	1.84	141.69
Loss allowance	-	-	12.07	1.01	15.16	111.99	21.34	161.57

Movement of provision for doubtful debts:

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	161.57	184.65
Reversal of Doubtful/Bad Debts (net)	(46.07)	(22.91)
Amounts written off	(0.69)	(0.17)
Balance at the end of the year	114.81	161.57

Cash and cash equivalent

As at the year end, the Company held cash and cash equivalents Rs 523.91 Lakhs [March 31, 2023 - Rs. 384.70 Lakhs]. Credit risk from cash and cash equivalent is managed by the Company's finance department in accordance with Company's Policy.

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 has any indicators which indicates impairment triggers.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

(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.

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.

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
As at March 31, 2024					
Trade payables	352.13	333.47	18.66	-	352.13
Other financial liabilities	82.93	82.93	-	-	82.93
	435.06	416.40	18.66	-	435.06
As at March 31, 2023					
Trade payables	654.31	622.34	31.97	-	654.31
Other financial liabilities	92.47	92.47	-	-	92.47
	746.78	714.81	31.97	-	746.78

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 Company is debt free company and accordingly computation of gearing ratio is not applicable to the company.

43 Provisions

Warranties/ recoating

The Company offers assurance-type 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 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.

The warranty accrual is reviewed periodically to verify that it properly reflects the remaining obligation based on the anticipated expenditures over the remaining period. Adjustments are made when the actual warranty claim experience differs from estimates.

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.



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

The movement in the provision for warranties/ recoating are summarised as under:

	As at March 31, 2024	As at March 31, 2023
Opening carrying amount	70.79	133.79
Additional provision during the year	141.31	-
Unused amounts reversed during the year	-	63.00
Closing carrying amount	212.10	70.79

44 Contingencies and Commitments

	As at March 31, 2024	As at March 31, 2023
Contingent liabilities		
Bank Guarantees	550.21	96.86
Commitments		
Estimated net amount of contracts remaining to be executed on capital account, not provided for	<u>154.83</u>	<u>30.38</u>



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

45 Details of key financial ratios

S No.	Ratio	March 31, 2024		March 31, 2023		Ratio as on		Variation	Reason (if variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	March 31, 2024	March 31, 2023		
(a)	Current Ratio	10,095.30	697.30	10,335.27	1,357.95	14.48	7.61	90%	Improvement in business volume and cash flow from operations resulting in good current ratio as comparison to previous period.
(b)	Debt-Equity Ratio	-	11,968.91	-	10,167.61	-	-	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	1,900.74	11,068.26	2,027.60	9,177.86	0.17	0.22	-22%	-
(e)	Inventory Turnover Ratio	2,507.14	2,809.55	2,631.55	2,623.35	0.89	1.00	-11%	-
(f)	Trade Receivables Turnover Ratio	7,379.62	1,363	7,358.02	1,440.52	5.42	5.11	6%	-
(g)	Trade Payables Turnover Ratio	2,522.06	499.17	3,240.65	479.71	5.05	6.76	-25%	Previous year creditors were discharged well in time vis-a-vis net purchases.
(h)	Net Capital Turnover Ratio	7,379.62	9,187.66	7,358.02	8,050.65	0.80	0.91	-12%	-
(i)	Net Profit Ratio	1,900.74	7,379.62	2,027.60	7,358.02	0.26	0.28	-7%	-
(j)	Return on Capital Employed	2,522.47	11,968.91	2,716.60	10,167.61	0.21	0.27	-21%	-
(k)	Return on Investment	1,900.74	12,667.29	2,027.60	11,566.00	0.15	0.18	-14%	-



Notes forming part of the Financial Statements

[Amount in Rs. Lakhs, unless otherwise stated]

46 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.

A	Particulars	March 31, 2024	March 31, 2023
	Gross Amount required to be spent as per Section 135 of the Act	35.87	25.87
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	35.87	25.87
B	Amount approved by the Board to be spent during the year	35.87	25.88
C	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	35.87	25.88

D Details related to amount spent/ unspent

Particulars	March 31, 2024	March 31, 2023
Support to School/College for education of students from economically poor background	21.26	2.90
Support to School/Institutes for Education & Health care of differently abled students	10.46	4.96
Support to Palliative Care Centre's health care facility by providing equipments	4.15	9.19
Support for education of visually impaired Children	-	8.83
Accrual towards unspent obligations in relation to:	-	-
Ongoing projects	-	-
Other than Ongoing projects	-	-
TOTAL	35.87	25.88

E Details of ongoing CSR projects

Nature of Project	Balance as at April 01, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2024	
	With the Company	In Separate CSR Unspent Account		From the Company's Account	From separate CSR Unspent Account	With the Company	In Separate CSR Unspent Account
NIL	-	-	-	-	-	-	-

Nature of Project	Balance as at April 01, 2022		Amount required to be spent during the year	Amount spent during the year	From separate CSR Unspent Account	Balance as at March 31, 2023	
	With the Company	In Separate CSR Unspent Account				With the Company	In Separate CSR Unspent Account
NIL	-	-	-	-	-	-	-



Notes forming part of the Financial Statements

[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, 2023	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, 2024
Support to School/College for education of students from economically poor background	-	-	21.26	21.26	-
Support to Palliative Care Centre's health care facility by providing equipments	-	-	4.15	4.15	-
Support to School/Institutes for Education & Health care of differently abled students	-	-	10.46	10.46	-

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/College 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	-

G Details of excess CSR expenditure

Nature of Activity	Balance excess as at April 01, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2024
NIL	-	-	-	-

H Contribution to Related Parties/ CSR Expenditure incurred with Related Parties

Name	Nature of Relationship	March 31, 2024	March 31, 2023
NIL	-	-	-

I Disclosures on Shortfall

Particulars	March 31, 2024	March 31, 2023
Amount Required to be spent by the Company during the year	35.87	25.87
Actual Amount Spent by the Company during the year	35.87	25.88
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

[Amount in Rs. Lakhs, unless otherwise stated]

47 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

48 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).

49 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.

50 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 Beneficiaries.
- (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.

51 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

52 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.

53 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.

54 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.

55 The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

56 The Company has not revalued its Property, plant and equipment or intangible assets or both during the current year or previous year.

57. The Title deeds of all the immovable properties other than properties where the company is the lessee and lease arrangements are duly executed in favour of the lessee are held in the name of the company.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No.: 012754N/N500016

Vivian Pillai

Partner

Membership No: 127791

Place : Pune

Date : April 30, 2024

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 : April 30, 2024

Purushottam Mantri

Director

DIN : 06785989

Shrikant Pai

Company Secretary

ICSI Membership No: 40001

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.