RESPONSIBLE CARE®
OUR COMMITMENT TO SUSTAINABILITY

DEEPAK NITRITE

DNL/140/NSE/1594/2025
July 23, 2025

To,
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block-G,
Bandra Kurla Complex, Bandra - East,
Mumbai - 400 051

Dear Sir,

Stock Code: DEEPAKNTR

Sub: 54th Annual Integrated Report and Notice of the 54th Annual General Meeting ("AGM") for the Financial Year 2024-25

This is further to our letter dated July 22, 2025, intimating that the 54th Annual General Meeting ('AGM') of the Company will be held on Thursday, August 14, 2025 at 11:30 A.M. (IST) through Video Conferencing/ Other Audio Visual Means in accordance with applicable circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities Exchange Board of India ('SEBI').

Pursuant to the provisions of Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the 54th Annual Integrated Report of the Company for the Financial Year ('FY') ended March 31, 2025 alongwith Notice convening 54th AGM of the Company, which forms part of the 54th Annual Integrated Report.

The 54th Annual Integrated Report of the Company along with Notice convening 54th AGM and other relevant documents are also available on the website of the Company at www.godeepak.com.

In compliance with applicable Circulars issued by MCA and SEBI, the 54th Annual Integrated Report for FY 2024-25 along with Notice of 54th AGM are being sent only through electronic mode to those members whose email IDs are registered with the Company's Registrar & Share Transfer Agent/ Depositories.

Kindly take the same on your record.

Thanking you,
For **DEEPAK NITRITE LIMITED**

ARVIND BAJPAI
Digitally signed by ARVIND BAJPAI
Date: 2025.07.23 21:36:59 +05'30'

ARVIND BAJPAI
Company Secretary

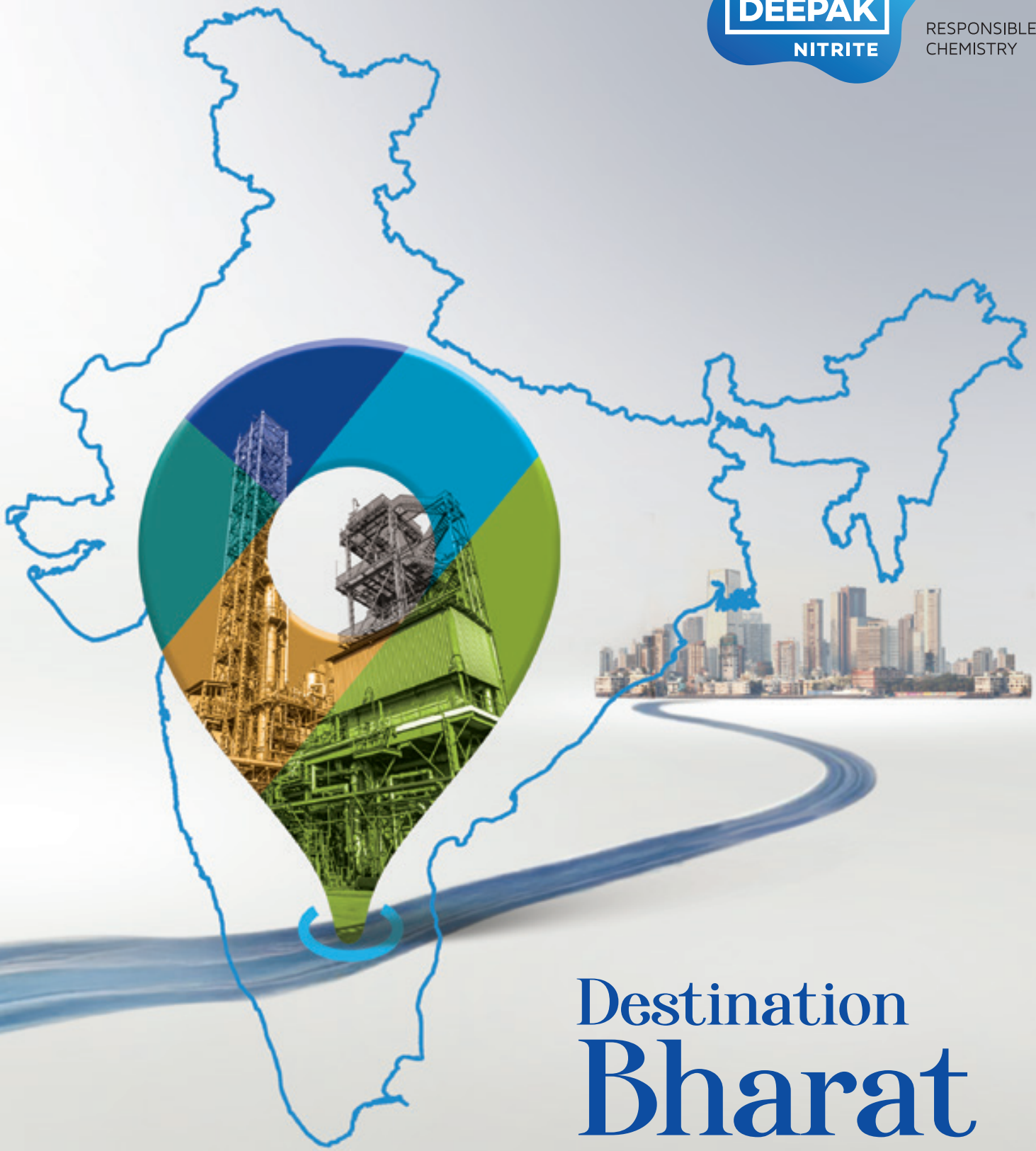
DEEPAK NITRITE LIMITED • VADODARA •

Encl.: as above

DEEPAK NITRITE LIMITED
CIN: L24110GJ1970PLC001735
Registered & Corporate Office:
2nd Floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara – 390 003, Gujarat, India.
Tel: +91 265 276 5200/ 276 5500
Investor Relations Contact: investor@godeepak.com
www.godeepak.com

DEEPAK NITRITE

RESPONSIBLE CHEMISTRY



Destination Bharat

54th Annual Integrated Report 2024-25

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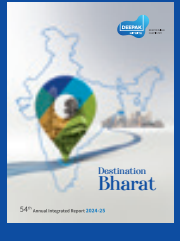
Standalone	290
Consolidated	353

₹ 8,282 Crores
Revenues

₹ 5,389 Crores
Net Worth

₹ 7.50 per share
Dividend

Fifty Fourth Annual General Meeting
Day & Date: Thursday, August 14, 2025
Time: 11:30 A.M.
Mode: Through VC / OAVM



The map on the cover is for illustrative purposes only and not to scale.

Corporate Information

BOARD OF DIRECTORS

Shri Deepak C. Mehta
Chairman & Managing Director
Shri Maulik Mehta
Executive Director & CEO
Shri Sanjay Upadhyay
Director (Finance) & Group CFO
Shri Girish Satarkar
Executive Director
Shri Ajay C. Mehta
Non-Executive Director
Shri Meghav Mehta
Non-Executive Director
Shri Sanjay Asher
Independent Director
Smt. Purvi Sheth
Independent Director
Shri Dileep Choksi
Independent Director
Shri Punit Lalbhai
Independent Director
Shri Vipul Shah
Independent Director
Shri Prakash Samudra
Independent Director
(Up to April 9, 2025)

CHIEF FINANCIAL OFFICER

Shri Somsekhar Nanda

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Arvind Bajpai

AUDIT COMMITTEE

Shri Dileep Choksi, Chairman
Shri Sanjay Asher, Member
Shri Vipul Shah, Member

STAKEHOLDERS' RELATIONSHIP & INVESTORS GRIEVANCE COMMITTEE

Shri Ajay C. Mehta, Chairman
Shri Punit Lalbhai, Member
Shri Sanjay Upadhyay, Member

NOMINATION & REMUNERATION COMMITTEE

Smt. Purvi Sheth, Chairperson
Shri Deepak C. Mehta, Member
Shri Sanjay Asher, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Deepak C. Mehta, Chairman
Shri Sanjay Upadhyay, Member
Smt. Purvi Sheth, Member
Shri Punit Lalbhai, Member

RISK MANAGEMENT COMMITTEE

Shri Deepak C. Mehta, Chairman
Shri Sanjay Upadhyay, Member
Shri Maulik Mehta, Member
Shri Vipul Shah, Member
Shri Prakash Samudra, Member
(Up to April 9, 2025)

SUSTAINABILITY COMMITTEE

Shri Punit Lalbhai, Chairman
Shri Vipul Shah, Member
Shri Maulik Mehta, Member
Shri Girish Satarkar, Member

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited
"Geetakunj"
1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara – 390 015

BANKERS

State Bank of India
Standard Chartered Bank
Axis Bank Limited
Bank of Baroda
ICICI Bank Limited
DBS Bank India Limited
HSBC Limited

STATUTORY AUDITORS

Deloitte Haskins & Sells, LLP
Chartered Accountants

SECRETARIAL AUDITORS

KANJ & Co. LLP
Company Secretaries

COST AUDITORS

B.M. Sharma & Co.
Cost Accountants

INTERNAL AUDITORS

Sharp & Tannan Associates
Chartered Accountants

CORPORATE IDENTITY NUMBER

L24110GJ1970PLC001735

CORPORATE & REGISTERED OFFICE

2nd Floor, Fermenter House, Alembic City,
Alembic Avenue Road,
Vadodara – 390003, Gujarat
Tel: +91-265-2765200/3960200
E-mail: investor@godeepak.com
Website: www.godeepak.com

PLANTS

Nitrite & Nitroaromatics Division
4-12, GIDC Chemical Complex,
Nandesari – Dist., Vadodara – 391340,
Gujarat

Taloja Chemicals Division
Plot Nos. K/9-10, MIDC Taloja,
Dist. Raigad – 410208, Maharashtra

Roha Division
Plot Nos. 1, 2, 26 & 27
MIDC Dhatav, Roha,
Dist. Raigad – 402116, Maharashtra

Hyderabad Specialities Division
Plot Nos. 70A & B, 71A, 90-F, D-121 &
121A and 22, Phase I, Industrial
Development Area, Jeedimetla,
Hyderabad – 500055, Telangana

Dahej Division
Plot No. 12/B/2/1 GIDC, Dahej,
Dist. Bharuch – 392130, Gujarat

Deepak Phenolics Limited
Plot No. 12/B/1 and 12/B/2/2, GIDC, Dahej,
Dist. Bharuch – 391130, Gujarat

Deepak Chem Tech Limited
Dahej Plant :
D-II/6/1 and D-II/6/1/A, Dahej II Industrial
Estate, Dahej, Rahiyad Village,
Taluka Vagra, Bharuch – 392130, Gujarat

Nandesari Plant:
Part of 4/1 and 5/P,
GIDC Chemical Complex, GIDC,
Nandesari, Vadodara – 391340, Gujarat

Sankarda Plant:
Plot No. 73, Durga Industrial Estate,
City Survey No. NA46/74, Sankarda,
Vadodara – 391350, Gujarat

Deepak Advanced Materials Limited
Plot No. 11/1, Savli GIDC Road,
Manjusar – 391775, Gujarat



TRIBUTE TO SHRI C. K. MEHTA, OUR FOUNDER & CHAIRMAN EMERITUS

(April 6, 1932 - July 3, 2023)

At Deepak, we remain guided by the enduring vision of our Founder and Chairman Emeritus, Shri Chimanlal K. Mehta. We strive to honour his legacy through every aspect of our business.

Shri C. K. Mehta's extraordinary journey began six decades ago with a bold vision to transform India's Chemical Industry. From his early success with Chemical trading activities to founding Deepak Nitrite Limited in 1970, he built an organisation rooted in innovation, resilience and integrity, with an aim of achieving 'Atmanirbharta' in manufacturing Chemicals which were otherwise imported in India. Under his leadership, Deepak Nitrite grew into a professionally managed, value-driven enterprise committed to excellence, responsible chemistry, and nation-building. His commitment to social welfare led to the establishment of Deepak Foundation, empowering women, strengthening healthcare, and improving livelihoods of millions of people.

In tribute to our distinguished Founder, we pledge to continue upholding his values of ethics, governance, and excellence — principles that will guide Deepak Group for generations to come.

Approach to reporting

Our Integrated Report for FY 2024-25 provides relevant information to our shareholders and other stakeholders about the performance, governance, material risks and opportunities, strategy, and future prospects of Deepak Nitrite Limited.

Reporting period and boundary

The Report, published annually, provides material information relating to the Company's strategy and business model, operating context, material risks, stakeholder interests, performance, prospects and governance for the period between April 1, 2024 and March 31, 2025. The reporting boundary includes all offices and facilities.

Financial and non-financial reporting

The Report extends beyond financial reporting and includes non-financial performance, opportunities, risks, and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value.

Approach to materiality

The Report focuses on information that is material to our business. It provides a concise overview of the Company's performance, prospects, and ability to provide sustainable value for all its stakeholders. The legitimate interests of all stakeholders have been considered and all material information has been included in this Report.

Frameworks, guidelines and standards

This Report aligns with the principles and guidelines of the:

- International <IR> framework by Value Reporting Foundation formerly known as International Integrated Reporting Council (IIRC)
- United Nations Sustainable Development Goals (UN-SDGs)
- The Companies Act, 2013 (and the Rules made thereunder)
- Indian Accounting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India

Our capitals

All organisations depend on various forms of capital for their value creation. Our ability to create long-term value is interlinked and fundamentally dependent on various forms of capitals available to us (inputs), how we use them (value-accretive activities), our impact on them, and the value we deliver (outputs and outcomes).

Sustainability/ESG indices participation

We are proud to have our efforts in sustainable development recognized by industry-leading rating and ranking agencies, such as Carbon Disclosure Project (CDP), Dow Jones Sustainability Index (DJSI) Assessment and EcoVadis Sustainability Assessment. We have scored 'B' in climate change and water security at CDP and scored 56 at DJSI Assessment, during our maiden assessments. These recognitions reaffirm Deepak Group's strategic focus on environmental stewardship, ethical governance, and sustainable value creation. They also serve as key benchmarks in our journey towards continual improvement and transparent ESG performance.

Forward-looking statements

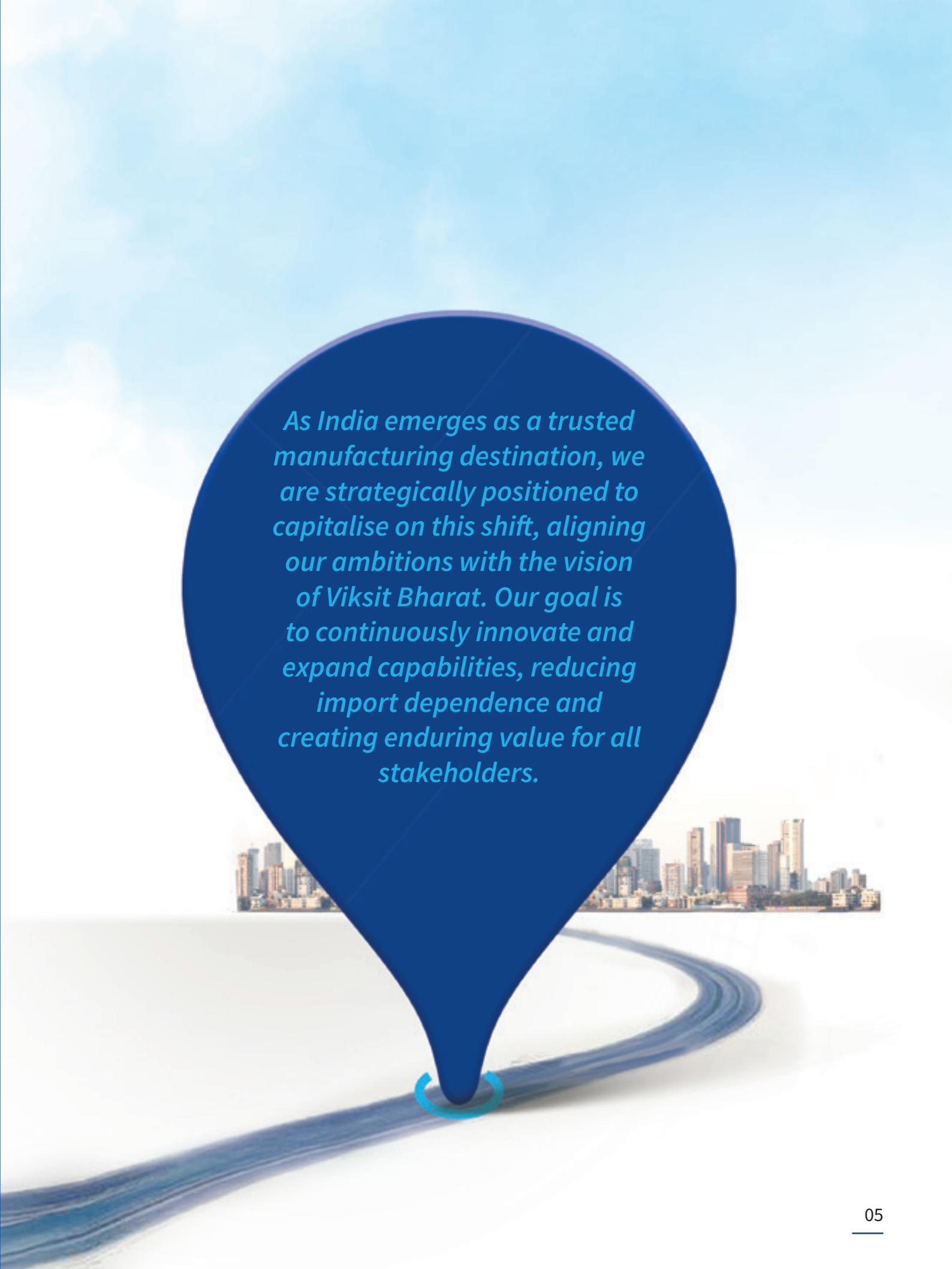
Certain statements in this document constitute 'forward-looking statements', which involve known and unknown risks and opportunities, other uncertainties and important factors that could turn out to be materially different following the publication of actual results. These forward-looking statements speak only as of the date of this document. The Company undertakes no obligation to update publicly, or release any revisions, to these forward-looking statements, to reflect events or circumstances after the date of this document, or to reflect the occurrence of anticipated events.

Destination Bharat

Deepak has been at the forefront of India's chemical industry for over five decades, consistently delivering reliable products, navigating external challenges, and building lasting customer relationships. As we embark on a new phase of growth, Destination Bharat reflects our vision of transforming India into a self-reliant, globally competitive hub for advanced chemicals and intermediates, making in India, for the world.

Amid shifting global dynamics and supply chain realignments, we are expanding our fully integrated operations and strengthening our backward and forward integration capabilities — with upstream products like Nitric Acid in Advanced Intermediates vertical to downstream derivatives of Phenolics vertical like MIBK, MIBC, and Polycarbonate (PC) Resins. One of the major initiatives has been our step forward to foray into polycarbonate resins — a critical import substitution opportunity for India. With a planned investment of around ₹ 8,500 Crores, Deepak is poised to become one of the world's largest single-location integrated producers of Phenolics products from Cumene to Phenol to Polycarbonate and converting much of this capacity into high-value derivatives for diverse applications across mobility, electronics, medical equipment, aerospace, packaging, and emerging industries such as EV battery solutions.

Our upcoming R&D centre further underscores our commitment to innovation, while sustained investments in manufacturing capabilities, process and platform enhancements, and asset optimisation continue to set new benchmarks. These initiatives will bolster our market position and make us a preferred partner for global and domestic customers.


As India emerges as a trusted manufacturing destination, we are strategically positioned to capitalise on this shift, aligning our ambitions with the vision of Viksit Bharat. Our goal is to continuously innovate and expand capabilities, reducing import dependence and creating enduring value for all stakeholders.

ABOUT DEEPAK GROUP

Excellence in Chemistry. Trusted Globally.

Deepak Group is one of India's leading manufacturers of Advanced Intermediates and Phenolics Chemicals. Over the past five decades, we have built a reputation for unmatched innovation and excellence, becoming a trusted partner to a diverse range of industries with high-performance and Sustainable solutions.

We combine deep domain expertise with robust technological and manufacturing capabilities to produce a wide array of products, including Sodium Nitrite, Phenol, Acetone, IPA, Xylidines, Oximes, Toluidines, Cumedines, and more. Our high-quality product offerings find applications in pharmaceuticals, agrochemicals, dyes and pigments, paints, laminates, plywood, and other critical sectors.

We have established a strong presence and vast customer base in international markets, recognised globally as a 'Responsible Manufacturer' and a 'Supplier of Choice'. This reflects our commitment to quality, innovation, customer-centricity, and compliance with the highest environmental and safety standards.

At the heart of our operations is a deep commitment to sustainability. We continue to invest in energy-efficient processes, emission control technologies, and circular practices to reduce our environmental footprint. At Deepak Nitrite, we are rebalancing our energy mix, targeting 60%–70% of energy consumption to come from renewable sources. This shift will result in a significant reduction in carbon emissions, aligning with our broader sustainability goals.





NUMBERS THAT DEFINE US

7
Modern manufacturing facilities at 5 strategic locations

34+
Products

56+
Applications

6,100+
Total Workforce

50+
countries receive our exported products

₹ 8,282 Crores
Revenue

1,500+
Customers

ICRA A1+
Short-Term Rating

ICRA AA+ (Positive)
Long-Term Rating

Deepak Nitrite Limited (DNL)

Leading manufacturer of chemical intermediates in India

- Deepak Phenolics Limited (DPL) 100%
- Deepak Chem Tech Limited (DCTL) 100%
  - Narmada Thermal Power Private Limited (NTPPL) 100%
- Deepak Advanced Materials Limited (DAML) (formerly known as OXOC Chemicals Limited) 100%
- Deepak PMC Limited (DPMCL) 100%
- Deepak Nitrite Corporation Inc. (DNC) 100%
- Deepak Oman Industries (SFZ) LLC (DOIL) 51%

KEY STRENGTHS

- Sustainable and versatile business model
- Rich legacy of over five decades
- Forward and backward integration
- Largest Producer of Phenol, Acetone, IPA & Sodium Nitrite in India
- Among the top three global players for products like Xylidines and Oximes
- Highly experienced and dynamic leadership team
- Robust R&D and innovation capabilities
- Strong financials with high networth
- Operational excellence and cost efficiency

MANUFACTURING **PROWESS**

Building Strength and Scale with Extensive Footprint

Our manufacturing strength is rooted in seven cutting-edge facilities spread across five strategic locations and two additional sites under development. This well-planned footprint enables us to serve diverse markets with agility and scale, ensuring consistent product quality and timely delivery.



Manufacturing Locations

- Nandesari, Gujarat (DNL, DCTL)
- Dahej, Gujarat (DNL, DPL and DCTL)
- Taloja, Maharashtra (DNL)
- Roha, Maharashtra (DNL)
- Hyderabad, Telangana (DNL)
- Savli, Gujarat (DAML)
- Sankarda, Gujarat (DCTL)

Corporate Headquarter

Vadodara

Upcoming Facilities

- R & D Centre at Savli, Gujarat
- DCTL Facility at Dahej, Gujarat
- Deepak Oman Industries (SFZ) LLC at Salalah Free Zone, Oman

Deepak Nitrite Corporation Inc., USA

Deepak Group's Customers

GLOBAL PRESENCE



Map not to scale. For Illustrative purpose only.

HIGHLIGHTS OF THE YEAR

Value-Creation Highlights FY 2024-25

Our resources are fundamental to driving sustainable growth and progress. We remain committed to their efficient utilisation to create lasting economic, social, and environmental value.

FINANCIAL CAPITAL



Financial Capital represents the funds acquired by a Company from capital providers. This capital is deployed to support business operations and generate profits, which are subsequently distributed to shareholders. It also enables the Company to invest in future growth and expansion opportunities.

Management approach

Create value for stakeholders through sustainable growth

Value created

₹5,389 Crores

Net worth

₹102 Crores

Dividend for FY 2024-25

Read more on Page 68

MANUFACTURED CAPITAL

Manufactured Capital includes the tangible and intangible assets and infrastructure of the Company. These assets enable us to consistently deliver high-quality products, enhance efficiency, and create lasting value for our customers and stakeholders.

Management approach

State-of-the-art global standard plants, functional assets and optimally utilised facilities.

Value created

14.61 Mn

Manhours without lost time incident at Phenolics facility

333 KT

Phenol Production

34+

High Quality Products



Read more on Page 74

HIGHLIGHTS OF THE YEAR

HUMAN CAPITAL



Human Capital comprises the collective talent, skills, and experience of our workforce – the driving force behind our success. It is their knowledge, expertise, and commitment that fuels innovation, productivity, and long-term business growth.

Management approach

We strive to nurture our human capital by attracting top talent, enhancing employee skills and capabilities, and creating an inclusive environment that enables them to grow.

Value created

1,00,000+
Manhours of training imparted

NIL
Labour unrest incidents

₹392 Crores
Salaries and wages paid

Read more on Page 84



INTELLECTUAL CAPITAL

Intellectual Capital reflects our proprietary knowledge, innovations, and technical expertise that strengthen our offerings. Continued investments in Intellectual Capital enable us to drive sustainable growth, stay ahead of industry trends, and deliver greater value to our stakeholders.

Management approach

Consider innovation as a strategic element of the Company.

Value created

22
Total Patents granted

77
Cumulative Patent applications filed

Read more on Page 78

SOCIAL & RELATIONSHIP CAPITAL



Our relationships with stakeholders and communities are central to our long-term success. By nurturing trust, fostering collaborations, and engaging transparently, we build strong partnerships that drive lasting social impact.

Management approach

Create strong and mutually beneficial relationships based on trust, transparency, and open dialogue. Foster positive change and improve the lives of people in our communities.

Value created

7,00,000+
Lives improved through our CSR initiatives during the year

1,500+
Customers across 50+ countries

3,000+
Suppliers

Read more on Page 92



NATURAL CAPITAL

We acknowledge the role of natural resources in our operations and are committed to minimising our ecological footprint through the integration of sustainable practices.

Management approach

Reduce our environmental impact through the adoption of sustainable processes, practices, and technologies.

Value created

6.2%
Reduction in emission per tonne of production

32,25,464 KWH
Energy savings through renewable energy

7,44,751 KL
Water recycled

71,358 MT
Waste recycled

Read more on Page 106

Advanced Intermediates

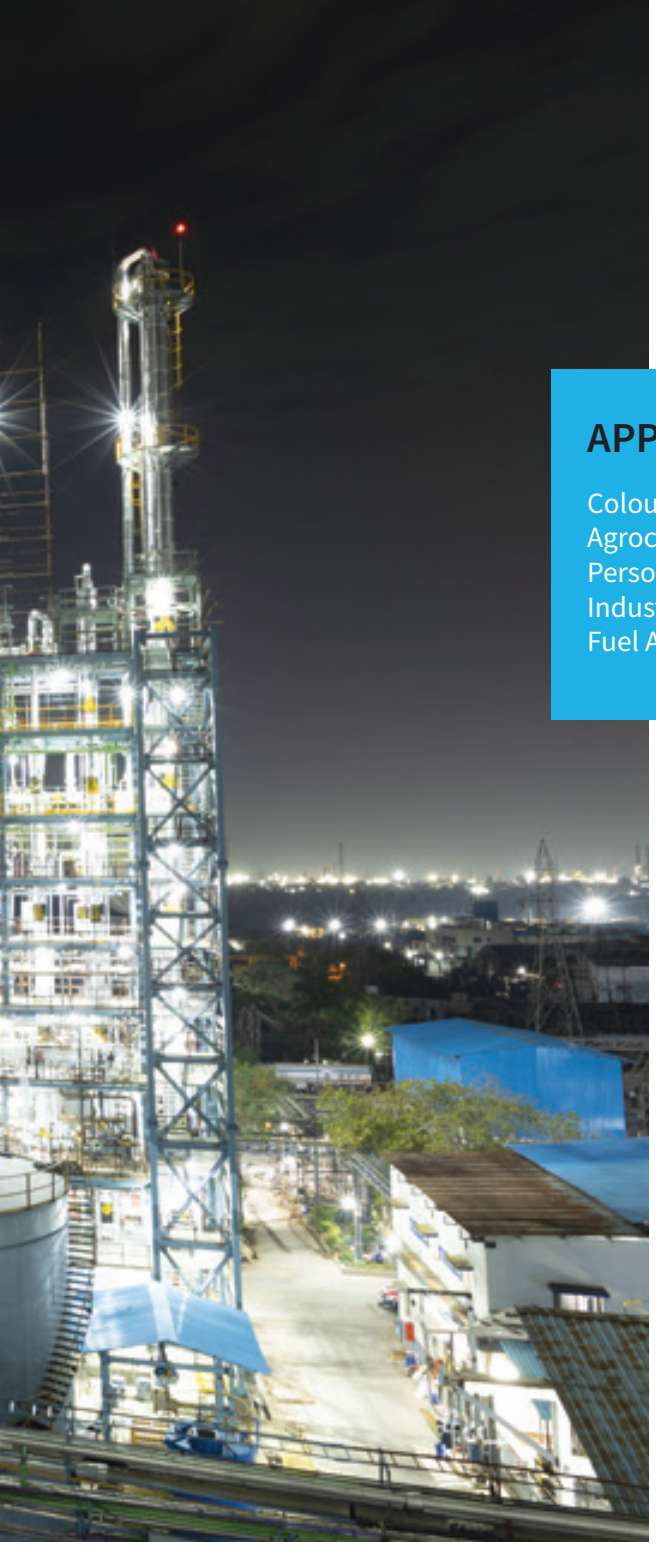


OVERVIEW

Specialised products with stringent requirements in terms of performance

PRODUCTS

Nitrites, Nitro Toluidines, Fuel Additives, Xylidines, Oximes, Cumidines, Speciality Agrochemicals, Optical Brightening Agent (OBA), DASDA, Benzotrifluoride



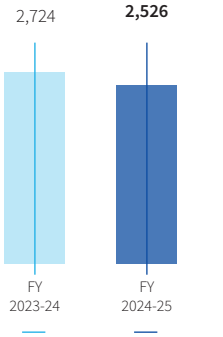
APPLICATION DIVERSITY

Colourants, Dyes, Rubber, Paper, Agrochemicals, Pharmaceuticals, Personal Care, Water Treatment, Glass Industries, Textiles, Industrial Explosives, Fuel Additives, etc.

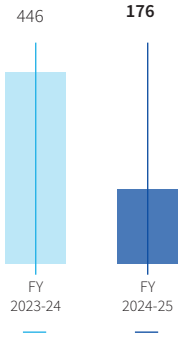
PERFORMANCE HIGHLIGHTS FY 2024-25

- Developed a new product variant and secured initial orders, expanding the product portfolio
- Continued focus on new product development, actively pursuing long-term contracts and strategic supply agreements with leading global chemical players
- Initiated a major overhaul of the energy mix, with short-term benefits started to accrue from March 2025
- Capacity expansion, debottlenecking, and process optimisation initiatives have driven improvements in operational efficiency and cost competitiveness
- Successfully increased capacity of an agro intermediate supported by process optimisation efforts
- Expanded capacity of select products to meet rising demand
- Achieved a 100% capacity increase at the Xylidines plant through debottlenecking

Revenue (₹ in Crores)



EBIT (₹ in Crores)



PERFORMANCE REVIEW

Phenolics



OVERVIEW

High volume import substitutes

PRODUCTS

Cumene, Phenol, Acetone, Isopropyl Alcohol, Alpha Methyl Styrene (AMS)

APPLICATION DIVERSITY

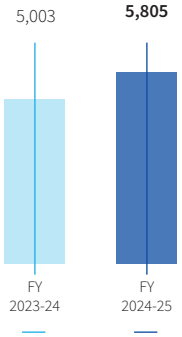
Laminate & Plywood, Automotive, Construction, Pharmaceuticals, Adhesives, Sanitisers, Rubber, Chemicals, Paints, etc.



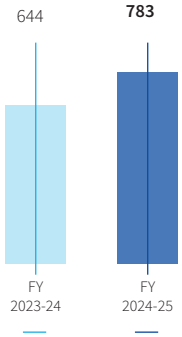
PERFORMANCE HIGHLIGHTS FY 2024-25

- Achieved 10% growth in production volumes, delivering a record 3,33,000+ tonnes of Phenol during the year
- Set new production records across key products — Phenol, Acetone, AMS, Cumene, and IPA, driven by operational enhancements
- Signed definitive long-term supply agreements with Petronet LNG Limited for 2,50,000 MTPA of Propylene and 11,000 TPA of Hydrogen, securing critical feedstock to support future capacity expansion
- Sustained healthy margins, supported by optimal manufacturing infrastructure and consistently high asset utilisation
- The Phenol plant operated at an average utilisation rate exceeding 165%; Cumene and IPA plants recorded utilisation levels of 172% and 134%, respectively
- Continued proactive process improvements, including benefits from Advanced Process Control contributing to efficiency gains
- Achieved a 5% reduction in energy consumption compared to FY 2023-24, reflecting ongoing focus on energy efficiency
- Launched a unique waste-to-wealth initiative to recover high-value Acetophenone from low-value by-product streams; the project is expected to be commissioned within the current financial year

Revenue (₹ in Crores)



EBIT (₹ in Crores)



Message from the Chairman & Managing Director



Our roadmap remains anchored in delivering long-term value through import substitution, thereby contributing meaningfully to the vision of Viksit Bharat and reinforcing our leadership in India's chemical sector.

Dear Stakeholders,

It is with great pride and optimism that I present to you the 54th Annual Report of Deepak Nitrite Limited for the Financial Year (FY) 2024-25. This year's report is not just a reflection of our performance, it highlights Deepak's resilience, our relentless pursuit to innovation and our unwavering commitment to sustainable growth in an increasingly challenging ever-evolving, evolving, dynamic global landscape.

STRATEGIC PROGRESS & MILESTONES

You all are aware that the Board of Directors of Deepak Chem Tech Limited (DCTL) had formally approved a strategic investment plan aggregating an investment outlay of ₹ 8,500 Crores aimed at expanding our core chemical operations which involves setting up of new production capacity for Phenol–Acetone and further integrating downstream into Polycarbonate (PC) resin manufacturing. These developments advocate our commitment to advancing value-added solutions and strengthening our position as a global integrated chemical player. Also, this is in line with our MoUs signed with the Government of Gujarat.

Our roadmap remains anchored in delivering long-term value through import substitution, thereby contributing meaningfully to the vision of Viksit Bharat and reinforcing our leadership in India's chemical sector. The proposed projects encompassing Cumene–Phenol–Acetone, Polycarbonate resins, and their compounds represent a landmark in integration – positioning Deepak as the only player with such a comprehensive value chain, globally. These upcoming facilities will establish a world-class manufacturing hub for advanced materials in India. We take pride in asserting that this initiative will place Deepak alongside the world's leading benchmarks for quality, scale, and strategic alignment with national priorities.

Deepak is slated to be maiden and first mover in Polycarbonate manufacturing in the Country. Towards this, Deepak has entered into agreement with Trinseo PLC., for acquiring their plant at Stade, Germany along with Technology and to relocate them to India for setting up Polycarbonate Plant. This agreement has also given access to Trinseo's product trademark. Trinseo is a global material solutions provider which manufactures plastic, latex binders and synthetic. Its products have end use in new-age industries such as semiconductors, defence, aerospace, medical devices, EVs etc.

Another strategic move is the new state-of-the-art R&D Centre at Savli, Vadodara, which is expected to be commissioned soon. This 5-acre large complex is envisioned to be a world-class innovation center. Once operational, Deepak will have an edge in R&D and innovation, which will lead to development of new products and technologies. It is designed to house essential resources including large R&D team, advanced laboratories, dynamic analytical facilities, engineering unit, piloting unit and polymer unit to name a few.

THE GLOBAL ECONOMY IN FY 2024-25 IS NAVIGATING A CAUTIOUS YET RESILIENT PATH. GROWTH REMAINS UNEVEN WHERE ADVANCED ECONOMIES ARE STABILIZING AT LOWER RATES, WHILE EMERGING MARKETS, ESPECIALLY IN ASIA, CONTINUE TO DRIVE GLOBAL MOMENTUM.

GLOBAL ECONOMIC OVERVIEW – NAVIGATING UNCERTAINTY, UNLOCKING OPPORTUNITY

The global economy in FY 2024-25 is navigating a cautious yet resilient path. Growth remains uneven where advanced economies are stabilizing at lower rates, while emerging markets, especially in Asia, continue to drive global momentum.

While inflation is moderating and monetary policy remains tight, geopolitical tensions out of skirmishes across countries including the oil majors – continue to impact energy, trade, and investment flows.

Yet, amid these headwinds, transformative breakthroughs in AI, clean energy and digital infrastructure are driving structural shifts and productivity gains. Looking ahead to FY 2025-26, global growth is expected to gradually strengthen, contingent on geopolitical stability, climate resilience, and coordinated global action.

INDIA'S ECONOMIC ASCENT – LEADING WITH RESILIENCE, SHAPING THE FUTURE

India continues to shine as the world's fastest-growing major economy. With projected GDP growth of 6.2% in FY 2024-25 and 6.3% in FY 2025-26 (Source: IMF, April 2025), our nation is outpacing global peers. Domestic consumption – contributing nearly 60% of GDP (Source: World Bank, 2024) – remains a powerful engine, supported by infrastructure expansion and rapid digitalization.

While global uncertainties, ranging from geopolitical tensions to volatile financial conditions pose risks, India's macroeconomic fundamentals remain sound. Easing inflation and a growth-

supportive policy stance from the Reserve Bank of India are further reinforcing demand. Strategic investments in renewable energy, manufacturing, and human capital are laying the groundwork for long-term competitiveness.

As India looks toward FY 2025-26 and beyond, sustaining this trajectory will depend on deepening reforms, fostering inclusive growth, and navigating global shifts with strategic foresight. More than just a growth story, India is emerging as a central force in shaping the global economic landscape.

GLOBAL CHEMICALS LANDSCAPE

The global chemical industry is expected to reach $6.32 trillion by FY 2024-25, growing at a steady 2.3% annually, led by robust demand in Asia-Pacific. While growth remains moderate, the sector is undergoing a strategic shift toward sustainability, digital innovation, focus on high-value specialty chemicals and enhanced supply chain resilience. (Source: MarketsandMarkets, 2025)

INDIAN CHEMICAL INDUSTRY – CATALYSING GROWTH AMID GLOBAL SHIFTS

India's chemical industry remains a cornerstone of the nation's manufacturing and economic landscape, contributing approximately 7% to the GDP and providing employment to over 2 million people. As of FY 2023-24, the sector is valued at around $250 billion and is projected to reach $300 billion by FY 2024-25, reflecting a robust CAGR of 8–9%. India ranks as the 6th largest global producer of chemicals and 3rd in Asia, supported by a diverse portfolio of over 80,000 commercial products spanning bulk chemicals, specialty chemicals, agrochemicals, and petrochemicals. Notably, the specialty chemicals segment is gaining significant momentum, with India's global market share expected to rise to 5.5% by FY 2024-25. (Source: IBEF)

Chemical exports have shown remarkable growth, reaching $45 billion in FY 2023-24, up from $29 billion in FY 2021-22, and now contributing 7% to India's total merchandise exports. The industry has also attracted cumulative FDI inflows of $22.87 billion between April 2000 and September 2024, demonstrating robust international trust in India's chemical expertise. (Source: Indian Chemical News)

This growth trajectory is reinforced by proactive Government policies and strategic infrastructure initiatives. Programs like the Production Linked Incentive (PLI) scheme, the Vision 2034 roadmap, and the establishment of dedicated Petroleum, Chemicals, and Petrochemicals Investment Regions (PCPIRs) aim to strengthen the sector's competitiveness and self-reliance. At the same time, India's emergence as a preferred destination under the global "China+1" strategy is attracting fresh investment and positioning the country as a reliable alternative in international supply chains. Coupled with rising domestic consumption driven by urbanization, industrial diversification, and a growing middle class, India's chemical sector is poised to evolve into a global hub, driving innovation, exports, and sustainable growth.

VISION 2030 - FORGING THE FUTURE OF CHEMICAL EXCELLENCE

At Deepak, our journey over the next five years is aimed at positioning the Group as a globally recognized leader in high-performance chemicals. We envision a future driven by innovation, sustainability and operational excellence, where we harness technology, expand our market presence and lead in Speciality as well as Performance Chemicals. By focusing on these core areas, we will continue to unlock new growth opportunities, both domestically and internationally, while remaining committed to our values of integrity and sustainability.

1. Becoming a Global Force in High-Performance Chemistry

Our vision is to be the partner of choice for customers seeking innovative and high-quality chemical solutions across various applications. By expanding our specialty chemicals portfolio, particularly in pharmaceuticals, agrochemicals, and advanced materials, we plan to cater to a larger share of high-growth markets through various upstream and downstream products which help in deeper integration across our business and strengthening our competitive edge. Over the next five years, we shall continue to focus on expanding our R&D capabilities to bring cutting-edge, application-specific products to market, ensuring we remain ahead of industry trends. We aim to grow revenue from our specialty chemicals segment by capitalizing on rising demand for sustainable and tailored solutions that address the needs of an increasingly complex global market.

2. Unlocking Global Markets & Strategic Collaborations

In line with our goal to expand our global footprint, we are strengthening our international presence in key growth regions such as North America, Europe, Southeast Asia, and Latin America among others. This will be achieved through a combination of enhanced export strategies, direct market penetration, and collaboration with global players that align with our values and business objectives. By building strategic collaborations and entering high-potential markets, Deepak is poised to further strengthen its position as a trusted, global partner for chemicals, renowned for reliability, quality, and sustainability.

3. Embedding Sustainability as a Strategic Imperative

Sustainability is integral to our future growth, and we are committed to making it the foundation of our operations. Deepak will continue to invest in clean production technologies and green chemistry to reduce environmental impact. Our efforts will continue to focus on energy efficiency, reducing carbon emissions, and advancing circular economy principles across our manufacturing processes. We are also committed to adhering to the highest ESG (Environmental, Social, and Governance) standards for a better tomorrow.

4. Leading Through Digital Intelligence & Operational Excellence

As we continue to scale, digital transformation will play a pivotal role in improving efficiency, reducing costs, and enhancing decision-making capabilities. Over the next five years, Deepak is investing substantially in smart manufacturing, predictive analytics, and AI-driven process optimization to streamline our operations and improve safety standards across all plants. With the integration of Industry 4.0 technologies, we aim to create an agile, responsive organization that can adapt quickly to market shifts and regulatory changes.

5. Fostering Human Capital & Innovation Culture

Our people are the backbone of our success, and over the next five years, we will continue to invest in building a future-ready workforce. By focusing on leadership development, technical training, and diversity and inclusion, we aim to create a culture that fosters innovation, encourages collaboration, and ensures that every employee is empowered to contribute to the company's cause and growth. Additionally, we are strengthening our partnerships with academic and research institutions to attract top talent in chemical engineering, material science, and sustainability. Our goal is to cultivate a dynamic innovation ecosystem where creative ideas flourish, leading to the development of new products, advanced technologies, and sustainable solutions that meet the needs of both our customers and society.

In the ensuing five-year block, Deepak will continue to be a driving force for positive change in the global chemical industry. By enhancing our focus on high-value chemistry, expanding our global reach, embedding sustainability in every aspect of our operations, and investing in digital transformation, we will not only achieve growth but also become an industry leader that shapes the future of chemicals. With a strong commitment to innovation, operational excellence, and sustainability, we are poised to achieve our Vision 2030 and continue to deliver unparalleled value for our customers, employees, and stakeholders.

DEEPAK: A LEAP TOWARDS CHEMICAL SELF-SUFFICIENCY AND GLOBAL LEADERSHIP

In line with our growth strategy, we have already announced a significant investment of ₹ 8,500 Crores to establish a state-of-the-art manufacturing complex. This facility will produce essential products like phenol, acetone, and isopropyl alcohol and Polycarbonate resin addressing critical supply gaps and reducing India's dependency on imports. The expansion reflects our commitment to strengthening the domestic supply chain and enhancing our capabilities in high-value chemical segments.

As we look to the future, Deepak is focused on expanding the global footprint by establishing new chemistry platforms and products through strategic partnerships and market penetration in high-growth regions. Our dedication to sustainable practices, digital transformation, and talent development ensures that we are well-positioned to lead in the global chemical industry, delivering long-term value to our stakeholders and contributing to a promising and sustainable future.

VOTE OF THANKS

On behalf of the entire team at Deepak, I would like to extend my deepest gratitude to all our stakeholders – shareholders, investors, and partners – whose unwavering trust and support continue to propel us forward. Your belief in our vision and mission has been a cornerstone of our success, and we are truly thankful for your ongoing commitment.

I would also like to recognize the invaluable contributions of our dedicated employees, whose passion, hard work, and dedication have been key to turning our ambitious goals into reality. Additionally, the strategic guidance and insights of our esteemed Board members have been indispensable in helping us navigate both challenges and opportunities with clarity and confidence.

Looking ahead, we remain optimistic about the future, fuelled by the vast opportunities before us. Our resolve to drive sustainable growth, foster innovation, and stay agile in the ever-evolving landscape of our industry is stronger than ever. Together, we will continue to lead with excellence and create long-term value. Once again, thank you to everyone who has been part of our journey – your support has been instrumental in our shared success.

Best Regards,

DEEPAK C. MEHTA
Chairman & Managing Director

Message from Executive Director & CEO-DNL



THIS PHASE OF DEEPAK'S JOURNEY REFLECTS ITS ENDURING COMMITMENT TO BUILDING A FUTURE-READY ENTERPRISE, ONE THAT LEADS WITH PURPOSE, ACTS WITH INTEGRITY, AND DELIVERS VALUE THAT IS SUSTAINABLE, INCLUSIVE, AND FAR-REACHING.

DEAR SHAREHOLDERS,

It is with a deep sense of purpose, pride, and responsibility that I present to you the performance of Deepak Nitrite Limited for FY 2024-25. This year was defined by global complexities and evolving macroeconomic conditions, though for us, it also presented an opportunity for introspection and consolidation. We have navigated challenges with agility and have built upon our strong foundation to further reinforce our position as one of India's most admired chemical companies.

In the global context, the continuing trade tensions between the United States and China have profoundly reshaped the global chemical industry. US tariffs on Chinese imports have caused significant supply chain disruptions, leading to higher costs and market fragmentation. This has negatively impacted overall global efficiency within the chemical sector. For India, these shifts in the global chemical landscape create both challenges and opportunities.

This phase of Deepak's journey reflects its enduring commitment to building a future-ready enterprise, one that leads with purpose, acts with integrity, and delivers value that is sustainable, inclusive, and far-reaching. Our performance this year demonstrates that progress is not measured solely by financial metrics, but also by how well we adapt, innovate, and stay true to our mission.

In a significant development, Deepak Group, through its subsidiary Deepak Chem Tech Limited (DCTL), has announced to undertake project to manufacture Polycarbonate (PC) resins with an initial annual capacity of 1,65,000 metric tonnes (MT). DCTL has partnered with affiliates of Trinseo PLC Trinseo for this venture, and we are actively working to complete the entire value chain. PC is amongst the most versatile engineering polymer finding extensive applications in the automotive segment including electric mobility, electronics & electrical, construction, appliances, medical devices, and other sunrise sectors such as aerospace, aviation, drones etc. Local availability of PC will be essential for growing India's manufacturing base. Domestic production, along with CALIBRE™ trademark's credibility will support an accelerated approval cycle for new and existing consumers in India where annual imports already account for more than 2,40,000 MT.

Trinseo is a major manufacturer of engineering polymers and compounds with reported net sales of approximately $3.7 billion in 2023. Its engineering compound portfolio finds application with global, marque brands across industries.

We have forayed into manufacturing of engineering polymers at our state-of-the-art polycarbonate compounding plant at Manjusar, Savli in our subsidiary Deepak Advanced Materials Limited.

IN THE GLOBAL CONTEXT, THE CONTINUING TRADE TENSIONS BETWEEN THE UNITED STATES AND CHINA HAVE PROFOUNDLY RESHAPED THE GLOBAL CHEMICAL INDUSTRY. US TARIFFS ON CHINESE IMPORTS HAVE CAUSED SIGNIFICANT SUPPLY CHAIN DISRUPTIONS, LEADING TO HIGHER COSTS AND MARKET FRAGMENTATION.

CATALYZING INDIA'S INDUSTRIAL SELF-RELIANCE: DEEPAK NITRITE'S STRATEGIC MANUFACTURING PUSH

India stands at a pivotal moment — a time when building domestic manufacturing capabilities is not just desirable, but essential. At Deepak Nitrite, we see this as an opportunity to lead from the front. Our vision is clear: to substitute imports with world-class, homegrown chemical manufacturing that powers the nation's next phase of industrial growth.

Through focused investments in engineering plastics like Polycarbonate and critical such as Phenol, Acetone, and Isopropyl Alcohol (IPA), we are reducing India's reliance on foreign supply chains while supporting its emerging industries.

We are committing around ₹ 10,000 Crores over the next 4–5 years to build advanced manufacturing facilities, with a strong emphasis on Dahej, Gujarat, a key node in the PCPIR ecosystem. These projects will meet the rising domestic demand in high-impact sectors including electronics, semiconductors, mobility, infrastructure, construction, housing etc., to name a few.

To ensure long-term competitiveness, we have secured strategic feedstock linkages, such as Propylene, and are scaling production rapidly through our subsidiary, DCTL.

Our approach is tightly aligned with national programs like 'Make in India' and 'Viksit Bharat'. We are not just expanding capacity, we are building the foundation for a resilient, innovation-driven India that thrives on self-reliance and global excellence.

A COMPANY GUIDED BY PURPOSE

At the heart of Deepak Nitrite's evolution lies an unwavering commitment: empowering India's self-reliance in chemicals while transforming into a globally competitive, technologically pioneering enterprise. This purpose has guided every decision, every investment, and every innovation that we have pursued. As a home-grown industry leader, with decades of expertise, we continue to substitute imports with scale, drive process innovation, and establish integrated value chains that support customers, industries, and national priorities alike.

During the year gone by, we accelerated our journey into downstream products, further strengthening our presence in high-value, complex products that form the backbone of critical global applications. With a sharp focus on niche, margin-accretive offerings, we are laying the groundwork for the next era of chemical innovation. Our strategic roadmap is underpinned by key imperatives including building innovation-led growth engines, scaling sustainability across operations, and delivering exceptional customer-centric execution. These pillars are not aspirational, but are deeply embedded in our strategy and operational frameworks.

FINANCIAL RESILIENCE AND DISCIPLINE

Amid a strategic expansion, we have maintained financial discipline. Despite margin pressures due to soft pricing across multiple intermediates, we delivered a resilient performance, underpinned by strong domestic demand and expansion into newer markets. While realizations declined, our Total Income rose to ₹ 8,366 Crores, reflecting 8% growth over FY 2023-24. Even amidst challenging conditions, we maintained consolidated EBITDA at ₹ 1,176 Crores, this has been possible owing to our focus on process recalibration resulting in record production volumes across key product lines, with volume-driven growth helping us partially offset price erosion and volatile input costs.

OPERATIONAL HIGHLIGHTS: PROGRESS WITH PRECISION

The Advanced Intermediates segment remained a cornerstone of our success and its performance was enabled by our ability to deliver customized, multi-step synthesis solutions to our clients across pharmaceuticals, agrochemicals, and performance chemicals among others. Our backward integration into critical raw materials has ensured supply chain resilience, cost optimization, and greater flexibility in navigating volatile input costs.

We have completed our expansions, and cost improvement initiatives for agrochemicals and dye intermediates. This will yield higher volume at a lower cost for segments where demand is resilient.

Our steadfast focus on product differentiation has enabled the introduction of tailored solutions for customers, further enhancing our value proposition and market relevance. This has allowed us to make inroads into newer geographies and product applications, expanding our global footprint and enhancing customer stickiness. This is in addition to our relentless pursuit of achieving scale in whatever we do.

The Phenolics business, which now accounts for over 70% of Consolidated Revenue, continued to perform strongly on the volume front, with our plant operating at high capacity utilization throughout the period. However, this segment was not immune to the volatility in global spreads, which impacted pricing and margins. In response, we accelerated our strategic initiatives by introducing new products from existing assets which will have revenue and margin improvement. MIBK, MIBC, Acetophenone and other backward & forward integrations are expected to be commissioned shortly. This expansions will broaden our presence in the energy sector and mark our entry into advanced solvents for life science applications.

INVESTING IN FUTURE CAPABILITIES

Our capacity expansion projects at Dahej are progressing and are central to our ambition of becoming a global powerhouse. These investments will significantly strengthen our capabilities in high-value chemistry platforms which are essential building blocks for speciality and performance materials. Our considerable investment plans include upstream, downstream and sunrise segments. We are undertaking projects to manufacture PC resins and PC compounds which are downstream derivatives of the Phenol chain.

Alongside tangible capacities, we are undertaking investments in digitalization, automation, and smart manufacturing. By embedding AI, IoT, and real-time analytics into our plants, we are enhancing traceability, responsiveness, and predictive control. These technologies not only drive efficiencies but also elevate safety, sustainability, and scalability. We have formed a Digital Innovation Lab within IT team and innovative business team members. This team identifies use cases and experiment the same on our Private LLM . Presently, we are in the Multi Cloud Environment wherein we have created a Data Lake. This Data Lake can be used in predictive analytics – based on past data, the model will get trained with the trend and give predictions based on regression on demand, price, scenario simulation – Project Planning, Financial Planning & Demand Forecasting, Automation in Projects AI.

Our R&D and process engineering teams remain the catalysts of innovation. With a pipeline of novel products under development and strong in-house design capabilities, we are well-positioned to transition from a manufacturing-led Company to a knowledge-driven enterprise. Our upcoming state-of-the-art R&D facility at Savli, Vadodara, will be central to this mission and emphasize sustainability. The facility will prioritise the development of processes and products that minimise environmental impact, aligning with global trends toward greener and more sustainable industrial practices.

SUSTAINABILITY: OUR CORE COMPASS

We see sustainability not as a regulatory requirement, but a strategic necessity. Our environmental initiatives span water recycling, energy optimization, and waste minimization, areas where we have consistently surpassed benchmarks. Our plants now operate with advanced utilities, and we are steadily expanding our reliance on renewable energy and green feedstocks.

We are aligned with global ESG frameworks and continue to enhance disclosures, governance systems, and audit protocols. Climate resilience, circularity, and responsible sourcing are being built into every layer of our supply chain and operations. Our commitment extends beyond compliance; we aim to become a benchmark for sustainable manufacturing within the chemical industry.

PEOPLE, CULTURE, AND LEADERSHIP DEVELOPMENT

Our people remain our most valuable asset. We have continued to invest in creating a culture that encourages innovation, collaboration, and accountability. Through structured leadership programs, digital learning platforms, and performance-linked recognition, we are building a resilient and motivated workforce.

Diversity, equity, and inclusion are not slogans but values that we live by. Our policies ensure equal opportunities, while our wellness and engagement initiatives ensure that employees thrive, both professionally and personally. The Deepak Learning Academy and our digital upskilling initiatives are preparing our teams for tomorrow's technologies and leadership challenges.

LOOKING FORWARD WITH CONFIDENCE

As we move into FY 2025-26 and beyond, we do so with confidence, clarity, and conviction. Our strong balance sheet, integrated business model, and forward-thinking investments give us the momentum to scale new heights. While global headwinds may continue in the near term, our long-term trajectory remains firmly upward.

Our aspiration is to be more than just a high-performing Company, we aim to become a globally respected enterprise, admired for our innovation, ethics, and value creation. Downstream integration, import substitution, technology leadership, and green manufacturing will form the pillars of our next growth chapter.

We will continue to explore new partnerships, deepen R&D collaborations, and expand into high-potential geographies. With disciplined execution, stakeholder trust, and a future-focused vision, we are confident of building a legacy that outlasts business cycles and redefines industry benchmarks.

In closing, I want to thank every one of you – our shareholders, customers, employees, partners, and communities, for your unwavering trust and belief in our journey. Your support inspires us to dream bigger, act bolder, and remain true to our values.

The story of Deepak Nitrite is being unfolded. In many ways, it is only the beginning. And as we move ahead, we do so with renewed energy, sharpened focus, and a shared determination to transform not just our Company, but the very future of Indian speciality chemicals.

Warm regards,

Maulik Mehta
Executive Director & CEO
Deepak Nitrite Limited

Message from Executive Director & CEO-DCTL



OUR KEY ACHIEVEMENTS AT THIS STAGE ARE IN ASSET CREATION AND OPERATIONAL READINESS, SETTING THE STAGE FOR EXPONENTIAL VALUE GENERATION.

DEAR SHAREHOLDERS,

FY 2024-25 was a year of strategic acceleration for Deepak Chem Tech Limited (DCTL). We moved from blueprint to execution, laying the foundation for a platform that will redefine India's chemical manufacturing landscape.

As a Wholly Owned Subsidiary of Deepak Nitrite Limited, DCTL is at the forefront of building advanced material capabilities by focussing on well integrated product portfolio and import substitution, aligning with India's self-reliance vision. We are driven by purpose, precision, and scale.

FY 2024-25 PERFORMANCE: BUILDING FOR FUTURE GROWTH

Our performance in FY 2024-25 reflects the early-stage nature of our projects and signalling our transition into commercial operations. This reflects our current investment phase prioritizing long-term projects.

Our key achievements at this stage are in asset creation and operational readiness, setting the stage for exponential value generation.

FROM VISION TO REALITY: OUR COMMISSIONING SUCCESS

FY 2024-25 marked a defining chapter in our journey, from engineering design to execution excellence. At DCTL, we build capabilities that serve as a foundation for India's advanced materials sector. Key milestones achieved this year include:

- Nitric Acid Plant: Being commissioned in Q2 of FY 2025-26 with product rollout on track. This asset will play a pivotal role in supporting multiple downstream value chains
- MIBK/MIBC: Pilot-scale trials are progressing well as we scale up our acetone derivatives portfolio to tap into high-margin, high-demand sectors like electronics and speciality coatings among others

These developments are more than technical achievements, they represent our strategic intent to build a robust, diversified portfolio that supports critical industries such as electronics, pharmaceuticals, polymers, and agrochemicals. We are also actively exploring licensing partnerships and collaborative innovation, particularly in fluorinated intermediates, aimed at fast-growing sectors like semiconductors, sustainable mobility, and precision agriculture.

OUR PERFORMANCE IN FY 2024-25 REFLECTS THE EARLY-STAGE NATURE OF OUR PROJECTS AND SIGNALLING OUR TRANSITION INTO COMMERCIAL OPERATIONS. THIS REFLECTS OUR CURRENT INVESTMENT PHASE PRIORITIZING LONG-TERM PROJECTS.

Looking ahead, our roadmap is anchored by two transformational initiatives:

- Fully integrated Polycarbonate project
- Backward-integrated Phenol-2 complex

Together, they underscore our commitment to strengthening India's self-reliance and becoming a globally respected force in performance chemicals and materials.

TRANSFORMATIONAL PROJECTS UNDERWAY

1. Polycarbonate: India's First Integrated PC Resin Facility: India remains heavily dependent on imports for its polycarbonate needs. To address this gap, we are investing over ₹ 5,000 Crores to establish the nation's first fully integrated PC resin manufacturing facility. This transformative initiative includes:

- Acquisition and relocation of Trinseo's polycarbonate assets from Stade, Germany to Dahej, Gujarat. Trinseo is a major manufacturer of engineering polymers and compounds with reported net sales of approximately $3.7 billion in 2023. Its engineering compound portfolio finds application with global, marque brands across industries
- Deployment of licensed technology and global best practices
- Planned capacity of 1,65,000 metric tonnes per annum, with commissioning targeted for Q4 FY 2027-28

This facility will anchor a comprehensive value chain, from raw materials to finished compounds. We have already commenced producing PC compounds for the electronics and mobility sectors,

further reinforces our vertical integration and readiness for high-growth applications at our Savli unit.

2. Phenol-2 Project: Advancing Backward Integration: With an investment of ₹ 3,500 Crores, our greenfield Phenol-Acetone-IPA complex represents a significant stride in boosting India's chemical self-sufficiency. The plant will add:
    - 300 KTA of Phenol
    - 185 KTA of Acetone
    - 100 KTA of Isopropyl Alcohol (IPA)

This will reduce India's import dependence for essential base chemicals, enhance cost competitiveness, and create substantial employment opportunities, bringing with it strong economic and industrial multiplier effects for Gujarat and beyond.

WITH AN INVESTMENT OF ₹ 3,500 CRORES, OUR GREENFIELD PHENOL-ACETONE-IPA COMPLEX REPRESENTS A SIGNIFICANT STRIDE IN BOOSTING INDIA'S CHEMICAL SELF-SUFFICIENCY.

THIS WILL REDUCE INDIA'S IMPORT DEPENDENCE FOR ESSENTIAL BASE CHEMICALS, ENHANCE COST COMPETITIVENESS, AND CREATE SUBSTANTIAL EMPLOYMENT OPPORTUNITIES, BRINGING WITH IT STRONG ECONOMIC AND INDUSTRIAL MULTIPLIER EFFECTS

UPDATE ON OTHER PROJECTS

Nitric Acid Plant – Nandesari

DCTL is setting up a large-capacity Weak and Concentrated Nitric Acid plant at Nandesari to support nitration processes at both DNL (Nandesari) and DCTL (Dahej). These plants are expected to be commissioned in Q2 of FY 2025-26 and incorporates best-in-class technologies with critical equipment sourced from global vendors.

MIBK & MIBC Plant – Dahej

A backward-integrated MIBK and MIBC facility is being established at Dahej, which shall be utilising Acetone produced by fellow subsidiary, Deepak Phenolics Limited, in the vicinity. These solvents are currently fully import-dependent, and the project will enhance self-sufficiency and value addition.

To support this and other projects, DCTL is investing in essential offsite and utility infrastructure, including boilers, turbines, tank farms, substations, fire protection systems, ETPs, and air management facilities. The project is at an advanced stage, commissioning is expected in current financial year.

Fluorination, Hydrogenation & Nitration Facilities –Dahej

DCTL is also developing multiple chemistry blocks to broaden its product portfolio:

- The first fluorination product has already been achieved
- The hydrogenation and nitration units are under commissioning and to start production in H1 of FY 2025-26.

Most of the operations staff for these facilities have been successfully onboarded.

Other Speciality Chemical Capex – Dahej

Two speciality chemical plants are under development at Dahej. Both are at advanced stages of engineering, with long-lead equipment ordered or in the ordering phase. Construction has already commenced for both units.

INVESTING IN INDIA'S CHEMICAL LEADERSHIP

At DCTL, our mission transcends commercial ambition. We are committed to catalyzing India's journey toward self-reliance in advanced materials and speciality chemicals. Further, we are also working on building a future-ready portfolio focused on high-impact segments, including:

- Polycarbonate and its Compounds – vital for electronics, automotive, and construction industries
- Fluorinated and niche agrochemical intermediates – supporting next-gen crop protection and speciality applications

These investments not only align with the Government of India's 'Make in India' and import substitution goals but also position DCTL to integrate into global value chains, ensuring secure and high-quality supply for the industries of tomorrow.

THE ROAD AHEAD: POWERED BY PURPOSE

As we enter FY 2025-26, our focus remains clear, on-time project execution, building globally competitive capacities, and delivering sustainable value for all stakeholders. We are not just expanding infrastructure, but also enabling India's leadership in next-gen materials and responsible chemistry.

On behalf of the leadership team, I thank our investors, employees, partners, and board for your continued trust. The journey ahead is exciting, and we are ready to lead it with purpose and precision.

Warm regards,

Meghav Mehta
Executive Director & CEO
Deepak Chem Tech Limited

AS WE ENTER FY 2025-26, OUR FOCUS REMAINS CLEAR, ON-TIME PROJECT EXECUTION, BUILDING GLOBALLY COMPETITIVE CAPACITIES, AND DELIVERING SUSTAINABLE VALUE FOR ALL STAKEHOLDERS.

Message from Executive Director & CEO-DPL



LOOKING AHEAD, WE REMAIN CAUTIOUSLY OPTIMISTIC. THE SUSTAINED INDIAN DEMAND GROWTH FOR OUR KEY PRODUCTS AND THE ONGOING SHIFT TOWARD HIGHER VALUE-ADDED OFFERINGS POSITIONS US WELL FOR FUTURE GROWTH.

DEAR INVESTORS AND STAKEHOLDERS,

It is my privilege to present a comprehensive review of the past year and share our roadmap for the upcoming period.

Despite facing challenging global market conditions, we have demonstrated remarkable resilience and unwavering determination. Through targeted and proactive debottlenecking initiatives, we have significantly enhanced plant capacity utilization, setting new benchmarks in asset productivity, production efficiency and energy consumption. Although the market environment was subdued, characterized by tepid demand and persistently high raw material costs. we remained committed to our customers. Our targeted outreach efforts helped us improve market share and drive sharp volume growth.

Looking ahead, we remain cautiously optimistic. The sustained Indian demand growth for our key products and the ongoing shift toward higher value-added offerings positions us well for future growth. While we continue to navigate cyclical troughs, we anticipate a gradual improvement in market dynamics, pulled by demand from Indian consumers.

DEMAND FOR PHENOLIC CHAIN PRODUCTS IS FURTHER SUPPORTED BY ITS WIDESPREAD USE IN PAINTS AND COATINGS, ADHESIVES, PHARMACEUTICALS, LAMINATES, AND SPECIALITY PRODUCTS.

INDIA'S PHENOL STORY: JUST GETTING STARTED

The growth trajectory of the phenolics segment is anchored in the diverse applications of phenol across multiple industries. Phenol is a vital raw material in the production of phenolic resins, bisphenol-A (BPA, an essential component in manufacturing polycarbonate resin and epoxy resins), caprolactam (an essential component in manufacturing Nylon), and other derivatives.

Demand for phenolic chain products is further supported by its widespread use in paints and coatings, adhesives, pharmaceuticals, laminates, and speciality products. These sectors are experiencing robust expansion, driven by lifestyle changes, favourable demographics, rapid urbanization, infrastructure development, and rising disposable incomes per family.

Regionally, the Asia-Pacific (incl. China) market continues to lead global phenol capacity and consumption, accounting for over 50% of the market share in 2023. This dominance is fuelled by rapid industrialization and economic growth in countries such as China and India in the recent past, which are key drivers of demand across end-use industries.

KEY MARKET DRIVERS AND TRENDS:

- **Bisphenol-A (BPA) Demand:** The increasing demand for BPA, used in polycarbonate resins and epoxy formulations, remains a primary growth catalyst for the Phenol market. This is especially prominent in the automotive, electronics, and packaging sectors.
- **Asia-Pacific Dominance:** The Asia-Pacific region, led by countries like India and China, continues to dominate global consumption. China has emerged as a center of global capacity addition, with nearly 100% of new builds during the year. India is also expected to be the fastest-growing market, owing to rapid urbanization, infrastructure development, and rising demand for downstream phenol derivatives.
- **Continued dependence on Indian market:** With Asian (ex-China) producers unable to export their products to China, India emerged as the next best destination, causing competitive pressure amongst these producers to try and gain a larger Indian market access.

DPL'S STRATEGIC ASCENT TOWARDS GROWTH AND PROFITABILITY

In FY 2024-25, Deepak Phenolics Limited (DPL) reaffirmed its leadership in India's chemical manufacturing landscape, delivering a resilient performance amid a volatile and challenging market environment. The Company recorded an impressive 16% year-on-year revenue growth, driven by robust domestic demand, strategic productivity and operational enhancements, and a sharp focus on cost optimization.

Despite facing short-term headwinds – including a planned maintenance shutdown, DPL sustained high asset utilization and upheld its reputation for operational excellence across its integrated manufacturing facilities.

With a production capacity of 345 KTPA for Phenol, 210 KTPA for Acetone, and 65 KTPA for Isopropyl Alcohol (IPA), DPL continues to be India's largest and most efficient player in the phenolics segment. The successful completion of a critical maintenance program, coupled with targeted debottlenecking initiatives, unlocked an additional 10% throughput, further strengthening operational resilience.

IN FY 2024-25, DEEPAK PHENOLICS LIMITED (DPL) REAFFIRMED ITS LEADERSHIP IN INDIA'S CHEMICAL MANUFACTURING LANDSCAPE, DELIVERING A RESILIENT PERFORMANCE AMID A VOLATILE AND CHALLENGING MARKET ENVIRONMENT.

These advancements, along with efforts to substitute imports with domestic production, strategically position DPL to capitalize on emerging opportunities across key Indian growth sectors such as pharmaceuticals, electronics, automotive, and construction.

By embracing cutting-edge process technologies, enhancing energy efficiency, and adopting digital manufacturing, DPL remains aligned with the Group's overarching vision of Responsible Chemistry and Sustainable Growth. The Company's unwavering commitment to quality, safety, and environmental stewardship ensures it not only meets current market demands but also lays a robust foundation for long-term value creation.

FY 2024-25 AT A GLANCE: DPL'S PERFORMANCE AND PROGRESS

Deepak Phenolics continues to act as the growth engine for the Deepak Group. Despite some headwinds caused by planned maintenance and pricing pressures from imported alternatives, the business segment has demonstrated resilience. Our operations have returned to optimal capacity post-shutdown, unlocking additional throughput and improving overall reliability.

Demand for phenol derivatives such as Acetone and IPA remains strong in the domestic market (Y-o-Y growth of 8-10%), supported by steady growth in end-user segments such as pharmaceuticals, construction, and automotive among others. With increasing domestic demand, we will be significantly contributing to India's self-sufficiency.

Operational excellence remains a core focus, with continued efforts in process optimization, debottlenecking, and digital efficiency tools. These improvements are expected to contribute meaningfully to our performance and profitability over the coming years.

PIONEERING TOMORROW: DPL'S VISION FOR EMERGING OPPORTUNITIES

Looking ahead, Deepak Group is strategically investing in projects that will shape the future of India's chemical industry. Propylene, one of the key raw materials for the Phenolic Chain of products has been tied up for long-term supply from Petronet LNG Limited, Dahej. Our most ambitious initiative, the Polycarbonate resin project, is expected to significantly reduce India's reliance on imports for this vital high performance engineering plastic. This fully integrated project, from Phenol to Polycarbonate, will serve a wide spectrum of industries, including electronics, EV battery casings, automotive, medical devices, and durable packaging.

Beyond manufacturing, we are deepening our commitment to sustainability. We are transitioning to alternative renewal fuel sources, expanding water conservation efforts, and improving waste valorization practices across our facilities. Our long-term capex plan is focused not only on volume but also on strategic positioning in future-ready markets like speciality polymers and energy-efficient materials.

We believe in building with purpose – not just to grow, but to lead. Through continued innovation, operational excellence, and a people-centric approach, we aim to shape a stronger, greener, and more self-reliant industrial landscape for India.

Warm regards,

Kishor Jhalaria
Executive Director & CEO
Deepak Phenolics Limited

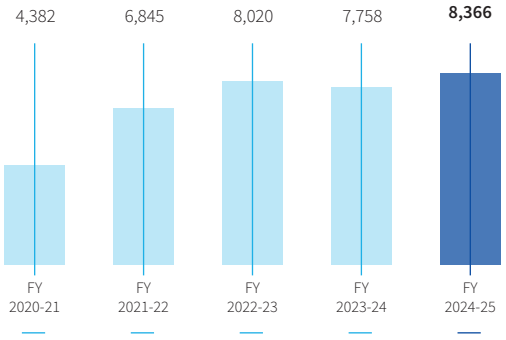
LOOKING AHEAD, DEEPAK GROUP IS STRATEGICALLY INVESTING IN PROJECTS THAT WILL SHAPE THE FUTURE OF INDIA'S CHEMICAL INDUSTRY. PROPYLENE, ONE OF THE KEY RAW MATERIALS FOR THE PHENOLIC CHAIN OF PRODUCTS HAS BEEN TIED UP FOR LONG-TERM SUPPLY FROM PETRONET LNG LIMITED, DAHEJ.

PERFORMANCE SCORECARD

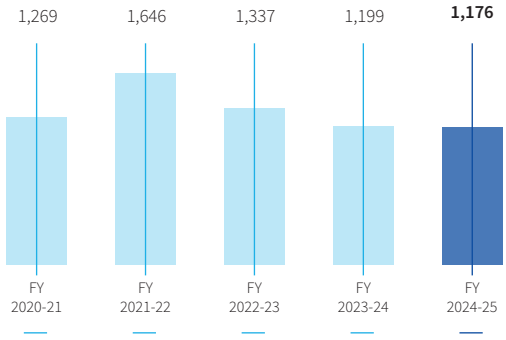
Delivering a Resilient Performance

PROFIT AND LOSS INDICATORS

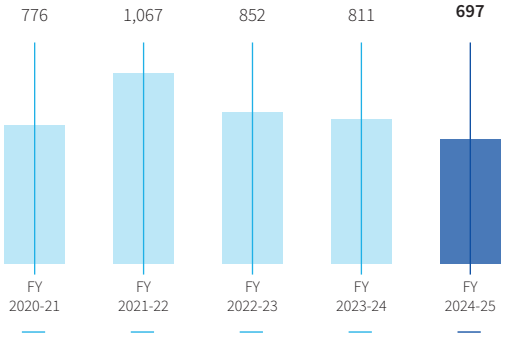
Revenue (₹ in Crores)



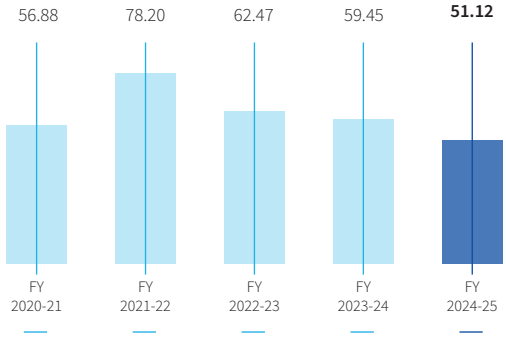
EBITDA (₹ in Crores)



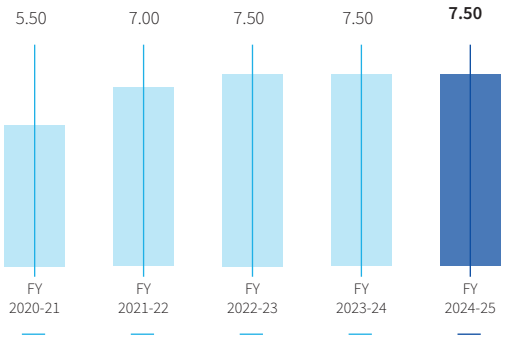
Profit After Tax (₹ in Crores)



Earnings Per Share (₹)

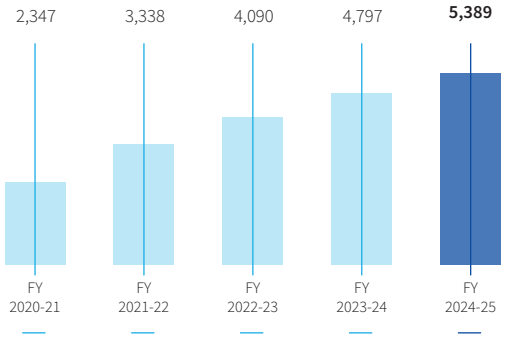


Dividend Per Share (₹)

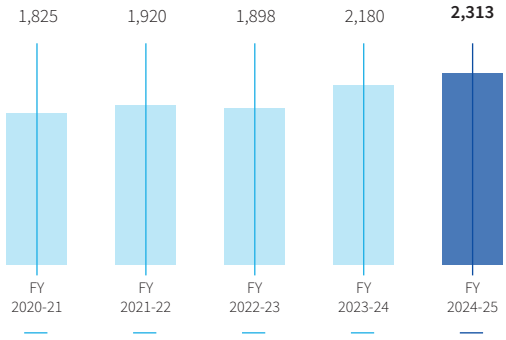


BALANCE SHEET INDICATORS

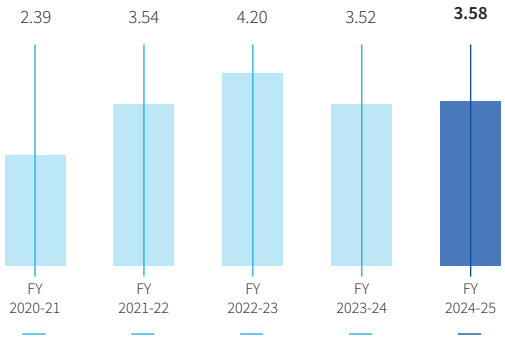
Net Worth (₹ in Crores)



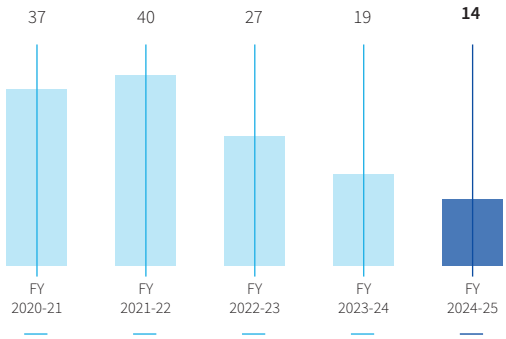
Net Fixed Assets (₹ in Crores)



Net Fixed Assets to Turnover Ratio (%)

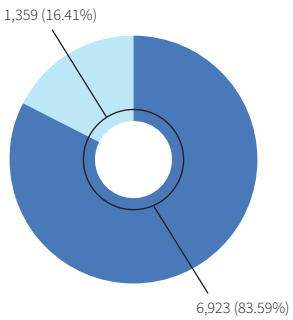


Return on Capital Employed (%)

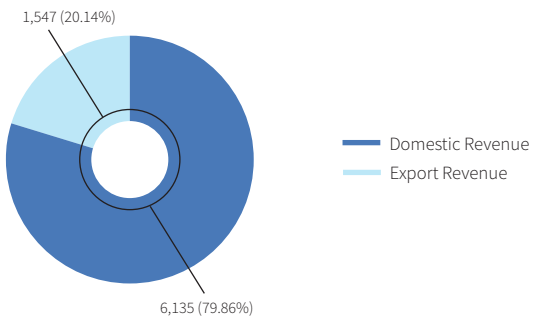


CONSOLIDATED REVENUE GEOGRAPHY-WISE

FY 2024-25 (₹ in Crores)



FY 2023-24 (₹ in Crores)



INVESTMENT CASE

Standing Apart through our Core Strengths

Deepak Nitrite is distinguished by its unmatched R&D capabilities and manufacturing prowess, enabling us to deliver innovative, high-quality products that align with evolving consumer demands. With integrated operations, operational efficiency, robust supply chain, and strong financial position, we are poised to stand apart as an agile and resilient player and retain our market leadership.



KEY STRENGTHS

- Research & Innovation Capabilities
- Smart Manufacturing
- End-To-End Operational Integration
- Responsive Supply Chain Network
- Cost and Operational Efficiency
- Robust Financial Performance and Stability

RESEARCH & INNOVATION CAPABILITIES

DNL's commitment to innovation is resolute. Our strong R&D capabilities enable us to continually challenge conventional limits to unlock our creative potential and champion product and process innovation, diversifying our product suite and driving sustained progress.

- A new world-class R&D centre is being constructed at Savli, Vadodara
- A competent R&D team at DNL is actively enabling the development of new products to establish additional speciality chemical facilities
- We are expanding into new product frontiers like speciality chemicals, and Polycarbonate
- The Design of Experiments (DOE) methodology is being used to improve the efficiency of lab scale development, supported by specialised software for screening and optimisation

KPIs

- 108 R&D professionals employed
- ₹ 24.91 Crores invested in R&D during the year

SMART MANUFACTURING

Smart manufacturing refers to our ability to leverage advanced technology and integration to improve efficiency across our manufacturing processes. Driven by rising digitalisation and evolving consumer expectations, we are swiftly moving beyond the conventional methods, embracing an interconnected and data-driven approach to manufacturing.

- Advance Process Controls (APC) is a process control and optimisation technology which, by real-time, minute-by-minute observation and manipulation of critical variables, maximises process efficiency and helps a plant function at its optimal capacity. We take pride in being distinguished as one of the very few companies in India to implement APC in chemical manufacturing facility of our size, a testament to our relentless commitment to technological advancement. Leveraging artificial intelligence, the implementation is helping us eliminate manual intervention and automate the manipulation of variables such as feed flow, temperature settings, pressure settings and reflux flows to make timely decisions and maximise performance. This is achieved through use of mathematical models and historical data to predict process behaviour and adjust control parameters in real time, ensuring stability and preventing disruptions.
- We focus on optimising the production of Phenol and maximising operational efficiency through a debottlenecking exercise
- We accelerated our digitalisation efforts by successfully migrating to SAP-S4 HANA. The migration is enabling us to plan our resources more effectively and enhance our decision-making ability, advancing our journey towards operational excellence

KPIs

- Interconnected, data-intensive and agile manufacturing
- Culture of innovation and digitalisation
- Integration of CRM, Logistics Module, Laboratory Management, Transport Management, Quality Assurance and Procurement module with SAP system
- Smooth transition to SAP-S4 HANA



END-TO-END OPERATIONAL INTEGRATION

Our business model is anchored in integrated operations which improves efficiency, and bolsters quality control, contributing significantly to our resilience and agility. With a comprehensive ecosystem of both forward and backward linkages, we are well-positioned to expand our capacities and quickly respond to market demands.

- Use of comprehensive Laboratory Information Management System (LIMS) is enabling us to maximise our laboratory workflows, optimise data integrity, strengthen compliance and drive operational excellence
- Robust safety measures have been deployed for safe transportation, storage and handling of our products, strengthening our backward integration
- Through forward and backward integration, we are strategically expanding our product portfolio to include fluorination products, Nitric Acid, speciality agrochem, and MIBK/MIBC. Moreover, nitration and hydrogenation facilities, are set to be commissioned in the coming quarters
- By enabling our distributed partners to manage their orders in real-time and providing them with relevant marketing materials, our integrated operations create greater value across the supply chain

KPIs

- Forward and backward integration

RESPONSIVE SUPPLY CHAIN NETWORK

A resilient supply chain powers our ability to easily adapt to changing market conditions and respond with agility. This, in turn, is enabled by forging collaborative and long-term partnerships, utilising advanced technologies and implementing robust processes.

- Our supply chain is powered by smooth and uninterrupted flow of information through use of smart sensors that capture and transmit data in real-time. By enhancing visibility and integration, these sensors pave the way for responsive decision-making and improved business operations
- State-of-the-art and customised software has been deployed for seamless supply chain, supporting leaner, more efficient operations. The software is designed to address multiple aspects of the supply chain, including address service procurement, resource planning, allocation, despatch, in-transit monitoring, delivery confirmation and vendor payments

KPIs

- 7.41 Inventory Turnover Ratio
- Smooth data integration



COST AND OPERATIONAL EFFICIENCY

Deployment of advanced technologies is an imperative for success. Through the implementation of digital tools and solutions, we are seamlessly automating our processes, streamlining operations, optimising production, and accelerating innovation. An improved supply chain control is further enabling us to minimise our cost of production without compromising on quality, allowing us to maintain our edge in this highly competitive landscape.

- In our effort to improve operational efficiency, loading of tankers has been automated through deployment of a cutting-edge system. In addition to minimising human intervention and errors, reducing waste and maximising throughput, the system adheres to required safety protocols. Seamlessly integrated with our ERP system, it offers end-to-end automation, from billing to load management
- Deployment of best-in-class software applications is helping us exercise better supply chain control, strategically source raw materials, negotiate favourable contracts and minimise inventory and logistical cost
- We are dedicated to continuously improving our manufacturing processes, which other than enhancing efficiency and productivity, is contributing to our sustainability goals by minimising waste and reducing energy consumption

KPIs

- Improved operational efficiencies
- Strong customer relationships

ROBUST FINANCIAL PERFORMANCE AND STABILITY

Our strong financial position continues to be a key enabler of our sustained growth. Through prudent financial allocation, supported by strong credit ratings, we are well-equipped to invest in our strategic priorities, capitalise on growth opportunities and navigate the socio-economic fluctuations.

- A robust capital allocation framework guides and influences our investment strategy to maximise shareholder returns
- Our net block of assets, valued at ₹ 2,313 Crores underscores our solid foundation

KPIs

- Debt Equity Ratio
- Net Fixed Assets to Turnover Ratio
- Strong credit ratings from ICRA

OUR ATTRIBUTES: DRIVERS OF GROWTH

Innovativeness

Driving growth through groundbreaking ideas and innovation, we go beyond merely generating product concepts. Our focus extends to superior processes and elevating employee engagement. This holistic approach maximises growth and fosters a culture of continuous improvement.

Agility

In a constantly evolving landscape, adaptability is key. By swiftly responding to change and delivering results, our organisation becomes equipped to navigate the evolving challenges of the progressing world.

Responsiveness

We go beyond mere responsiveness; we provide solutions and embrace accountability. This commitment extends to our employees, customers and all other stakeholders.

Performance-driven

Leveraging profound category insights to identify opportunities and provide effective solutions. This, combined with rewarding high performers across diverse verticals, sets compelling examples for leadership.

Ownership

Every individual is both a leader and a team member, sharing equal responsibility for the company's growth. In our organisation, the vision serves as not only the company's objective but also as a personal goal for each individual.

OPERATING CONTEXT

Opportunities Shaping the Chemical Industry

India's chemical industry is on the cusp of a transformative growth phase, supported by strong macroeconomic fundamentals and robust demand. Over the past decade, the sector has expanded significantly, driven by increasing consumption, industrialisation, and regulatory support. Favourable policies, competitive labour costs, cost-efficient manufacturing, and thrust on sustainability and innovation, position India as a key player in the global chemical landscape.



Accounting for nearly 7% of India's GDP, the chemical industry remains a crucial pillar of the country's economic growth. Increasing investments, rising consumption across end-use industries, and a supportive regulatory environment will support the sector's growth, expected to reach $300 billion by 2025.



MAJOR TRENDS AND GROWTH DRIVERS

RISING DOMESTIC CONSUMPTION

India's chemical industry plays a vital role in supporting multiple end-user industries, including agriculture, pharmaceuticals, automotive, electronics, construction, and more. Nearly 70% of India's chemical production is consumed domestically. Over the next two decades, India is poised to account for 20% of global chemical consumption, with domestic demand expected to reach $850-1,000 billion by 2040.

FOCUS ON SUSTAINABILITY

Sustainability is becoming a key catalyst for India's chemical industry. Manufacturers are increasingly adopting sustainable practices and processes to cater to evolving customer preferences. The industry is also witnessing a shift towards health-conscious, environmentally responsible products, further accelerating the adoption of sustainable practices.

EVOLVING SUPPLY CHAINS

Amid shifting geopolitical dynamics, global manufacturers are looking to diversify and derisk their supply chains. India, with its compelling value proposition, including low manufacturing costs, skilled workforce and natural resources, and growing focus on sustainable practices throughout the supply chain, makes it a trusted partner in the global value chain.

POLICY SUPPORT

Favourable government initiatives such as 'Aatmanirbhar Bharat' and 'Make in India' aim to promote self-reliance and reduce import dependence, strengthening the sector's growth trajectory. Policies like production-linked incentive (PLI) schemes and Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) projects further propel manufacturing competitiveness and the growth of the chemical industry.

TECHNOLOGICAL ADVANCEMENTS

Technology plays a crucial role in the growth of the chemical industry. Trends such as advanced analytics, cloud computing, big data, AI, IoT, digital twins, blockchain, AR, VR and data-driven product development are gaining prominence. The adoption of smart manufacturing technologies helps in real-time monitoring and control of production processes, optimises resource utilisation, and minimises waste, thereby enhancing operational efficiency.

OUR EXPANSION INITIATIVES

Scaling New Horizons with Strategic Expansion

FY 2024-25 has been a landmark year for us, marked by decisive investments, technological collaborations, and significant product and capacity expansions that will shape DNL's future and contribute meaningfully to India's journey of self-reliance.



DCTL's manufacturing facility, under Construction at Dahej-II

BUILDING A STATE-OF-THE-ART POLYCARBONATE (PC) RESIN FACILITY AT DAHEJ, GUJARAT

Our strategic venture into the polycarbonate resin segment – a product category where India remains entirely dependent on imports marks a major milestone in DNL's growth journey. With domestic demand of Polycarbonate (PC) resins and PC compounds estimated at approximately 4,00,000 MTPA and growing faster than GDP, polycarbonate resins present a significant opportunity.

During the year, Deepak Chem Tech Limited (DCTL), our Wholly Owned Subsidiary, committed an investment of ₹ 5,000 Crores to establish a world-class, fully integrated polycarbonate resin manufacturing facility at Dahej, Gujarat, with expected commencement slated by FY 2027-28. This investment includes greenfield infrastructure, capital expenditure, and technology tie-ups.

Further, DCTL has inked a technology partnership with affiliates of Trinseo PLC, acquiring proprietary technology, CALIBRE™ trademark for Polycarbonate resins and relevant manufacturing assets from Trinseo's facility in Stade, Germany, for the production of PC resins. Once operational, the plant will have an initial annual capacity of 1,65,000 metric tonnes of PC resin, with downstream applications across high-growth sectors such as construction, mobility, electronics, medical devices, aerospace, packaging, consumer goods, and emerging sunrise industries like EV batteries.

Complementing this, the Board of DCTL has also approved an investment of around ₹ 3,500 Crores for manufacturing 300 KTA of Phenol, 185 KTA of Acetone, and 100 KTA of Isopropyl Alcohol (IPA), including greenfield infrastructure capex, which will be integrated into the production of polycarbonate resins. This brings the total investment commitment for the polycarbonate chain to ₹ 8,500 Crores, establishing Deepak as one of the world's largest single-location producers of Phenol and Acetone, with over half the production converted into high-margin downstream derivatives. This massive project is expected to create enormous opportunities and reduce India's imports of these products.

ADVANCING OTHER PROJECTS

Alongside our major expansion into polycarbonate resins, we are advancing a diverse pipeline of projects while strengthening our R&D prowess with a cutting-edge facility near Vadodara. These investments will deepen our technological capabilities, broaden our product portfolio, and sharpen our competitive edge, enabling us to accelerate our growth trajectory. Our strategy focuses on expanding into high-value downstream products through forward integration, while also exploring backward integration to secure raw material availability.

Strengthening Downstream Integration with MIBK/MIBC

Following the successful debottlenecking of our Phenol facility, which has enhanced Phenol production capacity, work on our MIBK and MIBC plants is progressing as planned. These units, expected to be commissioned in H2 of FY 2025-26, will allow us to forward integrate into high-value downstream products.

Backward Integration with Nitric Acid

Our Nitric Acid Unit project has achieved significant milestones, with commissioning expected in Q2 of FY 2025-26. This upstream investment is vital to our growth strategy, securing raw material availability and supporting further expansion.

We have also forayed into new chemistry platforms such as photochlorination and Fluorination, among others. These technologies will not only broaden our product range but also fortify our backward integration capabilities by reducing dependence on external supply chains. The commissioning of these advanced chemistry blocks will commence in a phased manner starting from H2 of FY 2025-26.

Accelerating Innovation with our New R&D Centre

Our upcoming state-of-the-art Research & Development Centre in Savli, Vadodara, is scheduled for commissioning in Q2 of FY 2025-26. This cutting-edge facility will house advanced laboratories, pilot plants, and a dedicated team of scientists and technical experts. It will serve as a hub for developing new chemistries, sustainable processes, and environmentally responsible solutions, reinforcing our commitment to innovation-led growth and contributing to the advancement of India's speciality chemicals sector.

BUSINESS MODEL

Blueprint to Long-Term Value-Creation

INPUT

Financial Capital
- Equity: ₹ **27.28** Crores
- Reserves: ₹ **5,361** Crores
- Capital Employed: ₹ **6,795** Crores
- Net Debt: ₹ **256** Crores

Manufactured Capital
- Property, Plant and Equipment: ₹ **2,313** Crores
- Manufacturing Facilities: **7**
- Manufacturing Locations: **5**
- Assets under Construction: ₹ **1,649** Crores

Intellectual Capital
- Digitalisation/technology/process improvement initiatives
- R&D professionals employed: **108**
- Investments in R&D: ₹ **24.91** Crores

Human Capital
- Employees on payroll: **2,830**
- Contractual employees: **3,319**
- Women employees: **102**
- Total manhours of training: **1,01,372**
- Continuous investment in training and development and health and safety initiatives

Social and Relationship Capital
- Customers: **1,500+**
- Suppliers: **3,000+**
- CSR expenditure: ₹ **24.36** Crores

Natural Capital
- Water withdrawal: **34,06,694** KL
- Energy consumption: **6,69,21,75,878** MJ
- Investment in environment conservation activities: ₹ **10.19** Crores

PROCESSES



For customers
We offer high-quality, innovative products and solutions to our customers.

For providers of financial capital
We strive to deliver sustainable and profitable growth.

For our employees
We nurture a highly skilled and dedicated workforce through continous learning and development and capability building.

VALUE GENERATED



Research & development
Our team focuses on innovating new compounds/ value-added products, improving processes of existing products, and recovering products from effluents.

Raw material procurement
We source raw materials from suppliers and transport to our plants via water and surface transport.

Processing
We use various complex processes to manufacture products. The effluents generated during the manufacturing process are recovered to develop by-products where possible and the rest are treated for safe disposal.

Supply chain management
The products are sent to B2B customers across diverse sectors through water and surface transport.

For communities
We ensure sustainable development of communities through meaningful initiatives and reduced environmental footprint across our operations.

For suppliers
We maintain a responsible supply chain for smooth, uninterrupted operations. We also engage with our suppliers for knowledge enhancement, process improvements and product applications.

OUTCOMES

Financial Capital
- Revenue: ₹ **8,282** Crores
- EBITDA: ₹ **1,176** Crores
- Profit After Tax: ₹ **697** Crores
- EPS: ₹ **51.12**
- Return on Capital Employed (RoCE): **14%**
- Dividend: ₹ **7.50** per share
- Cash and cash equivalents: ₹ **884** Crores
- Net Worth: ₹ **5,389** Crores
- Market capitalisation: ₹ **27,043** Crores

Manufactured Capital
- **34+** high-quality products
- **333** KT Phenol production

Intellectual Capital
- New products launched: Developed lab processes for Schiemann platform-based fluoroaromatics
- Cumulative patent applications filed: **77**
- Total patents granted: **22**

Human Capital
- Lost Time Injury Frequency Rate (LTIFR): **0.29**
- Incidents of labour unrest: **NIL**
- Revenue per employee: ₹ **1.35** Crores
- Employee Engagement score: **70**
- Highly motivated employees

Social and Relationship Capital
- Impacted **7,00,000+** lives through CSR activities
- Long-term customer relationships
- Strong relationships with supply chain partners

Natural Capital
- Reduction in emission per tonne of production: **6.2%**
- Energy Savings: **32,25,464** KWH through renewable energy
- Water Recycled: **7,44,751** KL
- Waste recycled: **71,358** MT

STAKEHOLDER ENGAGEMENT

Building Value through Meaningful Stakeholder Engagement

Stakeholder engagement is one of our core pillars of success and forms a crucial part of our growth strategy. Multiple modes of engagement allow us to maintain continuous dialogues with our stakeholders and gain valuable insights into their perspectives, needs and expectations. Guided by our stakeholder engagement policy, we adopt an open and transparent approach, building trust, enabling strategic alignment and supporting long-term value creation.



STAKEHOLDER GROUPS

Those who have an influence on our business or are directly or indirectly impacted by our business activities constitute our stakeholder groups. At Deepak, we have identified six stakeholder groups, namely:

Customers | Investors | Employees | Suppliers | Communities | Government & Regulatory Bodies



STAKEHOLDER ENGAGEMENT: PURPOSE

Some of the many reasons why we engage with our stakeholders are:

- Building trust and forging long-term relationships with our stakeholders by demonstrating responsible corporate citizenship and social accountability
- Understanding the needs and perspectives of our stakeholders and realigning our strategies and key priorities
- Strengthening our reputation and brand equity by cultivating trust, transparency and accountability
- Gathering customer feedback and leveraging their insights to improve quality, enhance product performance and drive process improvement
- Gaining outside perspective and valuable knowledge through some of our marquee customers, large investors, suppliers and regulators
- Identifying and mitigating potential risks
- Keeping abreast on emerging market trends and leveraging growth opportunities
- Staying updated on the latest industry and regulatory developments
- Understanding the needs, concerns and expectations of our employees and addressing them timely and effectively
- Aligning our talent pool and enabling the development of relevant skills to support employee growth
- Assessing the impact of our operations and sustainability initiatives on the environment and societies and collaborating with communities to find solutions driving positive impact

CUSTOMERS

Mode of Engagement

- Phone calls
- Email communication
- Face-to-face meetings
- Virtual meetings

Stakeholder Expectations / Desired Outcomes

- Proactive response to customer needs and technical enquiries
- Improving product quality and affordability to enhance value proposition
- Ensure reliable and consistent supply
- Implementing a robust and effective grievance mechanism

DNL's response

- Maintaining regular communication and collaboration to address evolving needs
- Ensuring consistency in product quality
- Customization of products to fulfil specific requirements
- Meeting all contractual obligations by ensuring timely delivery of high-quality products
- Continuously expanding operations / footprints to accommodate increasing market demand

Value Created

- Long-term relationships with customers

INVESTORS

Mode of Engagement

- Annual General Meeting
- Investor/analyst meetings/ conferences
- Annual Report
- Quarterly earnings concalls
- Media releases
- Company website
- Dedicated investor email address
- Individual communication channels
- Through Registrar and Share
- Transfer Agent (RTA)
- Social Media

Stakeholder Expectations / Desired Outcomes

- Long-term wealth and value creation with robust fundamentals and consistent dividend payments
- Forecast future growth by maintaining consistency in Company's operating and financial performance
- Company's financial performance is disclosed in a timely and transparent manner
- Ensure financial discipline in line with global best practices
- Maintain high governance standards and protect minority interests

DNL's response

- Accurate information is disclosed with all stakeholders in a timely manner
- Achieving steady and sustainable performance by deploying focussed strategy for value creation
- Consistent dividend payments
- Augmenting value creation by establishing a solid foundation for consistent growth, early identification of opportunities and mitigation of external risks and uncertainties
- Upholding the highest standards of Corporate Governance
- Transparent disclosures through Integrated Report and ESG (BRSR) reporting

Value Created

- Net Profit ₹ 697 Crores
- Market Capitalisation ₹ 27,043 Crores
- ROE 14%
- EPS ₹ 51.12
- Dividend of ₹ 7.50 per equity share

EMPLOYEES

Mode of Engagement

- Townhall meetings for transparent communication and updates
- Senior leadership communication sessions
- Performance review and appraisal meetings
- Employee engagement surveys to gather feedback and insights
- Performance awards and recognition
- Union meetings for open dialogue and collaboration
- Wellness initiatives promoting employee well-being
- Sports events to encourage team building and physical well-being
- Social gatherings for employees and their families to foster a sense of community
- Celebration of festivals to promote cultural inclusivity and a positive work environment
- Birthday celebrations to recognise and appreciate employees on their special day

Stakeholder Expectations / Desired Outcomes

- Fair remuneration and timely payment
- Professional growth opportunities
- Training and development
- Work-life balance
- Mental and physical wellbeing and safety

DNL's response

- Ensuring timely payment of salaries
- Sharp emphasis on Learning & Development
- Offering growth opportunities by setting higher internal mobility targets
- Implementing robust Health and Safety protocols
- Advocating for better Work-life balance
- Performance awards and recognition
- Organizing sports events music competition etc.
- Celebration of festivals to promote cultural inclusivity and a positive work environment
- Social gatherings for employees and their families to foster a sense of community
- Birthday celebrations to recognise and appreciate employees on their special day
- Availability of Doctors at plants
- Higher education sponsorship policy
- Green vehicle policy

Value Created

- 1,01,372 manhours of training provided
- Highly motivated employees

SUPPLIERS

Mode of Engagement

- Supplier meetings
- Conferences
- Trade exhibitions
- Phone calls
- Email communications
- Virtual meetings

Stakeholder Expectations / Desired Outcomes

- Mutually beneficial, long-term relationships
- Ensuring a transparent selection process
- Negotiations on pricing
- Timely confirmation of quantities and prices, mutually agreeing on delivery schedules and ensuring timely payments

DNL's response

- Maintaining transparency in selection process and pricing
- Confirming order in a timely manner and providing clear delivery schedules based on demand and anticipated market prices
- Implementing reverse auction methods to enhance transparency across various SKUs
- Maintaining timely payment schedules

Value Created

- Strong supplier base
- Seamless supply chain operations

COMMUNITIES

Mode of Engagement

- Engaging in regular dialogues with community through meetings, visits and interactions
- Executing CSR initiatives to encourage community involvement
- Utilising demographic surveys to obtain valuable insights and feedback from the community

Stakeholder expectations / Desired outcomes

- Demonstrating sensitivity and actively responding to urgent community needs
- Participating in community development activities
- Implementing corporate social responsibility (CSR) initiatives to address community needs
- Undertaking initiatives for equitable and inclusive development
- Generating employment opportunities for local community members
- Ensuring compliance with health, safety and environmental performance standards

DNL's response

- Planning and implementing need-based community development programmes
- Making a positive impact through CSR projects that prioritise healthcare, education, skill building, livelihood and women empowerment
- Conducting periodic reviews and impact analysis to assess the effectiveness of the initiatives

Value Created

- ₹ 24.36 Crores in CSR investment in FY 2024-25
- 7,00,000+ CSR beneficiaries
- 5 States covered under CSR Projects
- 25 Districts covered under CSR Projects
- 2,000+ Villages covered under CSR Projects

GOVERNMENT AND REGULATORY BODIES

Mode of Engagement

- Meetings with local, state and national government officials and ministries
- Active membership in industry associations
- Assuming leadership positions to share domain knowledge and promote collaboration across the industry
- Participating in seminars, issuing media releases and attending conferences

Stakeholder Expectations / Desired Outcomes

- Regulatory compliance
- Social development and employment generation

DNL's response

- Ensuring timely and accurate legal compliance
- Exercising strong governance through Board of Directors possessing expertise in relevant fields
- Participating in consultations and public hearings organised by government, industry bodies, legal bodies, where possible
- Identifying and leveraging opportunities to influence development of new policies, regulations and legislations impacting our industry and the Company

Value Created

- Offering well-informed, evidence-based constructive feedback to promote industry growth
- Keeping informed about pertinent legislations, policies and regulatory changes that may impact DNL, ensuring stringent compliance



MATERIALITY

Managing What Matters Most

Assessing our material matters is crucial to help us identify and prioritise the ESG issues that have the maximum impact on our business performance, value creation, and long-term progress. Effective management of critical issues allows us to efficiently manage risks, drive strategic decision-making, comply with relevant sustainability frameworks, and make desirable progress on ESG goals, ultimately steering DNL towards continued success.

MATERIALITY ASSESSMENT: THE PROCESS

- Partnership with a reputed independent organisation helped us to assess our materiality
- Critical material issues, most relevant to our business and stakeholders were identified
- Topics, most material to us, were moderated and finalised in consultation with the senior management
- The exercise enabled us to formulate robust strategies that align with industry benchmarks and stakeholder priorities

MATERIAL ASSESSMENT: OUR APPROACH

Leveraged global frameworks including GRI 2021 standards and SASB sector standards

Material topics relevant to the global and domestic industry peers reviewed

Existing materiality reviewed



MATERIALITY MATRIX



Material issued identified are divided into five categories depending upon their relevance to Deepak and stakeholders. The Materiality Matrix provides a clear understanding about the impact that each of these material issues have on our business (inward impact) and the stakeholder (outward impact), ranging from low to high.

Category of Material Topics	Significance
Top Priority Issues	Critical to Deepak as well as to its stakeholders
Key Issues	Medium to high priority issues for Deepak as well as its stakeholders
Hidden Value Creators	Important for Deepak's business but low priority for stakeholders
Hygiene Factors	High priority for Deepak's stakeholders but low priority for the business of the Company
Monitoring Issues	Low importance to both Deepak as well as its stakeholders

MATERIAL MATTERS: HOW WE MANAGE IT

Deepak manages its material priorities through strongly established processes and policies which enable it to effectively navigate the evolving business environment by ensuring regulatory compliance, fostering lasting stakeholder relationships and driving long-term sustainability.

19 topics of material interest that directly or indirectly influence our value creation across people, environment, society, business and all relevant stakeholders have been identified by Deepak.

1 Water Use and Effluent Management (E)

Significance and Impact

- Availability of water, a critical resource, will highly impact a company's operations
- Water consumed by a company for its manufacturing is also expected to create a high external impact
- Additionally, a company's efficiency in effluent management significantly impacts the surrounding environment as well as its business, owing to its operational scale

Management/Mitigation Approach

- Deepak's commitment to environment extends to ensuring no harm to the quality and availability of water due to its operations
- This commitment will safeguard both the ecosystem and overall community
- Deepak is also dedicated to minimise its water and carbon footprint through various initiatives

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2 Climate Change & Emissions (E)

Significance and Impact

- The norms and regulations pertaining to climate change and emissions will have a high impact on a company's business
- A company's operations will have a high outward impact on the community

Management/Mitigation Approach

- Environmental conservation is embedded within Deepak's ethos and driven through sustainable manufacturing practices
- Deepak is achieving this through focussed efforts to reduce utility consumption, extract value from waste and adopt clean technologies
- Sustained efforts to improve energy efficiency is made by Deepak
- Conscious measures are taken to restrict the effluents, emissions and waste generated at the manufacturing facilities within the permissible limits set by the respective Pollution Control Boards

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3 Occupational Health & Safety (S)

Significance and Impact

- Health and safety have a high impact on both a company and the external environment, given the scale of a company's operations

Management/Mitigation Approach

- Deepak is committed to optimise occupational health, safety and the well-being of its employees
- Robust safety protocols are implemented at all Deepak's locations and regular safety audits are conducted to ensure this
- Employees are also equipped with the necessary personal protective equipment to safeguard them against potential hazard
- Additionally, a culture of safety awareness is promoted throughout Deepak through various campaigns and training programmes

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Top Priority Issues | *Key Issues* | *Hidden Value Creators* | *Hygiene Factors* | *Monitoring Issues*

4 **Community Involvement (S)**

Significance and Impact

- A company's community involvement and upliftment endeavours play a crucial role in elevating a company's reputation in the public eye, generating a significant inward impact
- The material topic has a high impact

Management/Mitigation Approach

- Deepak's CSR and community involvement efforts are driven by dedicated CSR wings - Deepak Foundation and Deepak Medical Foundation
- These arms have made a positive contribution to millions of lives through a variety of programmes

5 **Growth and Profitability (G)**

Significance and Impact

- Growth and profitability are critical for a company's sustainability

Management/Mitigation Approach

- Deepak's prudent fund allocation capability and adherence to good governance principles play a crucial role in its sustainable long-term success
- A clearly defined framework enables disciplined investments at Deepak
- Various initiatives to maximise cost efficiency, aligned with Deepak's rigorous approach to cost management, optimises its financial performance
- Deepak's strategic initiatives across the value chain and ability to respond to market changes paves the way to increased resilience and improved performance in a dynamic business landscape

6 **Corporate Governance (G)**

Significance and Impact

- Corporate Governance is a high priority matter for a company as well as the stakeholders

Management/Mitigation Approach

- Strong corporate governance practices are deployed throughout Deepak with emphasis on transparency in financial reporting, sustainability efforts, ethical decision-making and effective risk management
- All employees are governed and guided by a robust code of conduct and ethical standards
- A culture of accountability and integrity lays the foundation to sustained growth at Deepak
- Deepak's comprehensive risk management framework identifies, assesses and mitigates risks related to operations, safety, environmental impact and compliance

7 **Business Ethics & Compliance (G)**

Significance and Impact

- Ethics and compliance have a high impact on a company's operations
- It is also a high priority topic for stakeholders

Management/Mitigation Approach

- Ethics, accountability and integrity are embedded in Deepak's culture and fundamental to its operations
- All employees are governed and guided by a robust code of conduct and ethical standards
- Deepak ensures strict adherence to all applicable laws, regulations and industry standards to mitigate legal and reputational risks
- Deepak regularly evaluates its governance practices. Doing so enables it to identify areas for improvement, implement necessary changes and build trust with all stakeholders, in line with global ESG standards

8 **Business Continuity (G)**

Significance and Impact

- This is a top priority matter having both high inward and outward impact, considering the scale of a company's operations

Management/Mitigation Approach

- Uninterrupted operations and business continuity is a key priority at Deepak and ensured at all times
- This enables Deepak to become more resilient and ensure minimal disruptions, minimise revenue loss, operational downtime and reputational damage
- This proactive approach strengthens customer trust, minimises recover costs, maintains market position and lowers recovery costs – contributing to sustained profitability and long-term financial health

9 **Product Stewardship (G)**

Significance and Impact

- Product stewardship plays a critical role in ensuring that environmentally responsible practices are integrated at every stage of the life cycle of chemical products, aligned with sustainable chemistry goals
- It has a high inward and outward impact

Management/Mitigation Approach

- A well-established protocol enables Deepak to evaluate the Environmental, Social and Governance (ESG) impacts of its products during their development stages, ensuring these considerations form part of Deepak's decision-making processes
- Most of the products have successfully undergone a carbon footprint assessment and Deepak plans to conduct Life Cycle Assessments (LCA) for several existing products in future

Top Priority Issues | *Key Issues* | *Hidden Value Creators* | *Hygiene Factors* | *Monitoring Issues*

10 **Sustainable Supply Chain (G)**

Significance and Impact

- A sustainable supply chain is critical for operations and business continuity
- Considering the size of operations, a company can influence the ESG priorities for their suppliers
- It will also have a high impact on stakeholders

Management/Mitigation Approach

- Deepak monitors raw materials and finished goods in real-time. This is supported by using GPS-enabled secured means for transportation that allows seamless tracking and ensures a robust logistics and distribution network
- A structured warehousing ensures prompt customer deliveries while Deepak's integrated facilities, manufacturing expertise, and operational excellence paves the way to reliable and steady performance

11 **Waste Management (E)**

Significance and Impact

- Failure to comply with required waste management standard practices will have high negative impact on a company's operations
- Outward impact of this material issue is medium

Management/Mitigation Approach

- Generation of hazardous waste is a by-product of agrochemicals production, making it crucial to prioritise recycling and reusing waste whenever possible
- Deepak has adopted a proactive approach to ensure optimal use of resources and minimise as well as recycle waste in line with the regulatory requirements, supported by responsible practices

12 **Energy Management (E)**

Significance and Impact

- Efficient energy management can result in lower manufacturing emissions and reduced costs
- This matter has a moderate impact on external stakeholders

Management/Mitigation Approach

- Maximising energy efficiency across all business activities is paramount at Deepak to minimise the environmental impact and achieve sustainability goals and targets, aligned with its energy conservation strategy
- Deepak tracks daily energy consumption and actively monitors performance through systems installed across multiple locations

13	**Employee Engagement (S)**	**Significance and Impact** • Investing in employee training/upskilling and employee engagement activities has a high inward impact and helps elevate a company's brand and reputation externally	**Management/Mitigation Approach** • Various initiatives are taken to foster employee development and engagement at all locations • Targeted efforts enable the teams to effectively and efficiently perform their responsibilities, nurturing talent and contributing to a competent workforce that drives internal growth • Besides optimising product quality, the efforts also boosts revenue for Deepak
14	**Human Rights (S)**	**Significance and Impact** • Rooted in UN Human Rights principles, a company's policies and procedures contribute to a positive impact on the outside community	**Management/Mitigation Approach** • Deepak's commitment to upholding human rights spans all aspects of its business operations and also extends to its business partners by ensuring their alignment with Deepak's policies and contractual agreements • A comprehensive Human Rights due diligence framework has been implemented by Deepak enabling systematic evaluation of its operations • The Framework allows Deepak to seamlessly assess human rights vulnerability at its operational sites. The assessment facilitates risk identification and mitigation, along with ongoing monitoring and performance reporting
15	**Customer Relationships (S)**	**Significance and Impact** • Maintaining customer relationships is critical to a company's operations • The material issue has a high inward impact	**Management/Mitigation Approach** • Deepak's efforts to attract and retain customers involves offering innovative and cost-effective products • A customer-centric approach combined with initiatives for customer engagement promotes customer loyalty at Deepak, one of our greatest strengths in driving profitable growth
16	**Diversity, Equity & Inclusion (S)**	**Significance and Impact** • This topic has high impact on a company and medium impact on the external environment	**Management/Mitigation Approach** • Deepak is committed to upholding the principles of inclusion and diversity in its employment practices • Deepak's value creation model entails nurturing an agile and continuously expanding workforce composed of individuals from diverse educational, cultural and demographic backgrounds

Top Priority Issues | Key Issues | Hidden Value Creators | Hygiene Factors | Monitoring Issues

17	**Product Innovation (G)**	**Significance and Impact** • A company operates in an industry with high potential for innovation, enabling competitive edge and agility in business • While the impact on a company's operations is high, the impact on external environment is low	**Management/Mitigation Approach** • Dedicated to evaluate the evolving needs and gain insight on consumer's product preferences, Deepak constantly monitors global trends and collaborates with customers, allowing more opportunities to innovate and enhance its range of cutting-edge chemistry solutions • Deepak's continuous focus on research and development lays the foundation for portfolio expansion and refinements in existing products • Deepak make consistent investments in innovation, recognising its critical importance in continued success
18	**Digitalisation, IT Security & Data Privacy (G)**	**Significance and Impact** • Digitalisation helps boost a company's efficiency and reduce carbon footprint • This topic has a medium inward impact	**Management/Mitigation Approach** • Deepak's focus on automation and digital adoption has enabled it to streamline processes, enhance operational efficiency and improve productivity • Data analysis and optimisation in areas like supply chain management and inventory control at Deepak powers its ability to make informed strategic decisions, leading to better business outcomes • Moreover, the digitisation initiatives are helping Deepak to optimise resource usage and minimise environmental impact, contributing to its sustainability goals
19	**Biodiversity (E)**	**Significance and Impact** • A company's operations has a substantial impact on local ecosystems and biodiversity • Biodiversity loss can adversely impact our resource availability and operational risks	**Management/Mitigation Approach** • Deepak makes sustained efforts to protect biodiversity and reduce its loss

RISK MANAGEMENT

Prioritising Effective Risk Management

Effective risk management is crucial for sustained business growth, especially in a dynamic environment shaped by market shifts, regulatory changes, and unforeseen disruptions. It ensures business continuity, strengthens resilience, and creates long-term stakeholder value.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

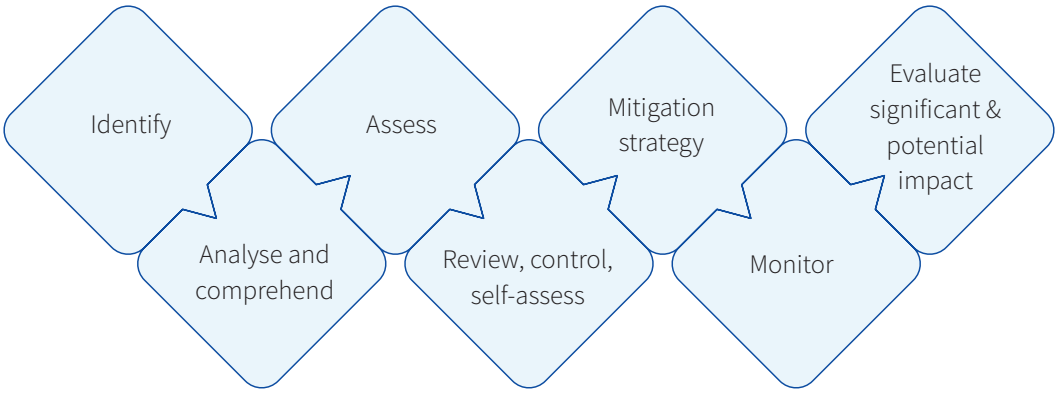
We have in place a comprehensive Enterprise Risk Management Framework (ERM) governed by the Board-approved Risk Management Policy. Aligned with the ISO 31000 and COSO standards, our Enterprise Risk Management Framework encompasses all aspects of risk management at all levels, including the shop-floor level. The framework ensures a seamless approach to risk management, enabling us to protect our business by preventing incidents, improving outcomes, and ensuring sustainable growth.

ERM ENABLES MANAGEMENT TO:

- Develop a clear understanding of the risk landscape and potential exposure
- Manage risks effectively and implement prudent risk mitigation strategies
- Continuously monitor the effectiveness of risk management practices
- Strengthen internal controls and drive improvements
- Provide periodic risk management reports to the management, including the Board of Directors



RISK MANAGEMENT: THE PROCESS



RISK MANAGEMENT: OUR APPROACH

Board of Directors

- Responsible for providing guidance and oversight for risk management process within the Group

Risk Management Committee

- The Risk Management Committee works alongside the Board to fortify the risk management procedures and practices across the Group operations
- Holds periodic reviews of reports related to risk matrix, assess significant risks and the controls / mitigating measures

Management

- Identify and evaluate short, medium and long-term risks and assess the risk outcomes based on the risk severity, likelihood and impact
- Ensure effective and systematic management of risks in alignment with the Group's objectives

Business and Functional Heads

- Identify short, medium and long-term risks for respective functions and business units
- Formulate mitigating measures for each identified risk
- Implement and review risk management practices within their respective business units/ functions following guidance from the Board and the Risk Management Committee
- Monitor changes in risk profile within their operations/functions and frame appropriate actions to manage or mitigate them
- Maintain risk registers and document all risks for consolidation and evaluation of principal risks and formulation of effective response/ mitigation measures
- Provide quarterly updates to the top management about risks and mitigating actions, soliciting their reviews and inputs
- Present detailed Risk Management report to the duly constituted Risk Management Committee of Directors

OBJECTIVES OF RISK MANAGEMENT

- Ensures business continuity and sustainability
- Achieve organisation's strategic objectives
- Enhance decision-making, planning and prioritisation processes
- Seize opportunities while proactively managing risks in a dynamic external environment
- Establish controls to mitigate or prevent risk occurrence
- Prioritise risk and reward considerations for implementation in critical areas
- Ensure adherence to corporate governance standards

KEY RISKS AND MITIGATION STRATEGIES

STRATEGIC AND GLOBAL RISKS

R1 Global Geopolitics and Monetary Risk

Capitals Impacted

Mitigation Response

- Track major price trends using lead and lag indicators for timely decision-making
- Optimise costs through a mix of spot purchases and contractual buying, based on market conditions
- Strengthen customer engagement to reinforce preferred supplier status
- Identify and secure alternative products to optimise plant utilisation and diversify production
- Continuously monitor demand-supply dynamics across enduse industries and allied sectors

R2 Climate Sustainability Risk

Capitals Impacted

Mitigation Response

- Develop a road map prioritizing the business environmental goals
- Identify high risk areas across the business and largest contributors to carbon emissions and their impact on the environment
- Outline alternative technology to target emissions reduction
- Drive transformation across the business to achieve decarbonization and act accordingly

BUSINESS – OPERATIONS RISKS

R3 Supply Chain Disruption/ Business Interruption Risks

Capitals Impacted

Mitigation Response

- Enhance safety stocks and facilitate material movement through dedicated pipelines
- Source materials from diverse geographies to minimise shipping delays
- Ensure reliable and secure shipments to ensure timely deliveries
- Maintain adequate inventory levels to serve customers, in the event of any disruptions
- Re-negotiate contracted logistics terms to optimise freight costs and enhance flexibility

R4 Supplier Dependency

Capitals Impacted

Mitigation Response

- Diversify sourcing to reduce dependency
- Leverage spot purchases when competitive offers are available from local or international suppliers
- Continuously develop and expand vendor base to strengthen procurement and ensure consistent material availability
- Developing new vendors for sourcing raw materials

R5 Emerging competition to our existing business

Capitals Impacted

Mitigation Response

- Secure multi-year contractual agreements in major business segments
- Strengthen positioning as a preferred supplier by addressing key customer requirements
- Enhance supply planning with defined lead times and built-in risk mitigation buffers
- Focus on acquiring new customers in international markets and expanding distributor networks across key regions
- Sustain market volumes by growing customer base and penetrating new markets
- Establish long-term partnerships with domestic customers to protect market share while driving export growth across diverse geographies

R6 Succession Planning / Critical Position Planning

Capitals Impacted

Mitigation Response

- Establish a competency framework for employees
- Conduct employee evaluation on the competency framework
- Develop Individual Development Plan for role-specific capabilities
- Enhance skills and competencies through Learning & Development opportunities
- Develop a second line of talent for crucial positions

R7 Information Security and Confidentiality

Capitals Impacted

Mitigation Response

- Enforce stringent confidentiality obligations to protect sensitive information
- Limit information sharing strictly to a need-to-know basis.
- Implement advanced IT tools to manage document flow and data access
- Conduct regular training programmes to enhance employee awareness on information security and confidentiality
- Carry out periodic audits and assessments by external experts and implement their recommendations

R8 IT System Failure Risk

Capitals Impacted

Mitigation Response

- Regularly upgrade the systems for improved performance
- Ensure multi-level password protection and data security
- Undertake regular training programmes
- Deploy software on multiple servers to combat disruptions due to IT failure
- Establish Disaster Recovery Site and online backups for recovery

R9 Technology Obsolescence

Capitals Impacted

Mitigation Response

- Continuously assess risks of technological obsolescence and make timely investments
- Build strong partnerships with technology leaders to access emerging processes and their application in manufacturing
- Upgrade machinery and equipment to leverage new technological advancements and improve operational efficiency
- Implement a rigorous plant and technology selection process to evaluate current and emerging options, ensuring adoption of the most relevant technologies

R10 Contractual Risk

Capitals Impacted

Mitigation Response

- Conduct thorough contractual risk evaluations, with a dedicated team of experienced professionals ensuring liability exposure is restricted
- Undertake detailed reviews of contractual clauses to assess and manage potential implications
- Maintain close coordination between departments to ensure smooth execution and adherence to contractual obligations

FINANCIAL RISKS

R11 Forex Market Volatility

Capitals Impacted

Mitigation Response

- Monitoring of net open positions and real-time tracking of exchange rates/markets on a fortnightly basis
- Deploy dynamic hedging strategies, including Forwards, Options, Range Forwards

COMPLIANCE RISKS

R12 Plant Safety Compliances

Capitals Impacted

Mitigation Response

- Ensure strict compliance with workplace safety protocols
- Adhere to established Process Safety elements
- Conduct regular safety audits through Integrated Management Systems to ensure compliance with all regulatory requirements
- Provide safety training to all employees, focusing on SOPs and safety systems
- Identify and address near-miss incidents, unsafe conditions, and unsafe actions
- Investigate incidents and implement actions to avoid recurrence
- Conduct periodic safety reviews at the top management level to enhance safety culture

R13

Environment Norms Compliances

Capitals Impacted

Mitigation Response

- Regular monitoring and maintenance of environmental norms
- Third-party environmental monitoring
- Disposal of hazardous wastes & spent acid under PCB norms
- Ensure amendments to the Consent To Establish (CTE) and Consent To Operate (CTO), wherever required

REPUTATIONAL RISKS

R14

Reputational Risk

Capitals Impacted

Mitigation Response

- Implement and communicate the Company's policies and guidelines to all stakeholders
- Maintain regular dialogue and transparent communication with key stakeholders to build trust
- Facilitate engagement between Site Heads/HR Heads and local community members to strengthen community relations
- Monitor media coverage – both print and digital – to manage public perception
- Foster employee awareness and accountability in upholding the Company's reputation



STRATEGY

Advancing Our Strategic Priorities

Our strategies reflect our roadmap for sustained growth and market leadership. We are steadily advancing on our key priorities, focused on strengthening India's self-reliance in key chemicals and intermediates, meeting evolving customer needs, and maintaining a competitive edge.

1 STRATEGIC PRIORITY: EXPAND CAPACITIES

Capitals Enhanced

Material matters addressed

- Growth & Profitability
- Customer Relationship
- Sustainable Supply Chain

Key risks

- Emerging competition to our existing business
- Overcapacities across the value chain(s) in China is changing trade-flows with adverse impact on India, as a major importer

Progress in FY 2024-25

- Strategic entry into Advanced Materials with PC Compounding foray
- Nitric Acid plant is expected to commission in Q2 of FY 2025-26
- Greenfield project for Acetone derivatives MIBK and MIBC is at an advanced stage of implementation and is expected to be commissioned in FY 2025-26
- Projects including Hydrogenation and Nitration will be commissioned in Q2 of FY 2025-26
- Elevated capacity utilisation on a sustained basis
- Acetophenone (ACP) Recovery Project is at an advanced stage of implementation
- Setting up a state-of-the-art Research & Development (R&D) Centre at Savli, Vadodara, with completion expected in H1 FY 2025-26

KPIs

- Optimum capacity utilisation
- Operational efficiency
- Cost optimisation

2 STRATEGIC PRIORITY: ENHANCE MARGINS

Capitals Enhanced

Material matters addressed

- Growth & Profitability

Key risks

- Global geopolitics and monetary risk
- Volatile upstream crude and raw material prices
- Subdued demand from end use sectors due to VUCA

Progress in FY 2024-25

- Optimise product mix with high-margin, value-added products at our multipurpose plants
- Continued process optimisation, productivity improvements and energy conservation to reduce costs
- Improve asset fungibility in line with customer's schedule for key intermediates
- Maximise asset sweating
- Fixed overhead cost optimisation

KPIs

- Optimum operating margin
- Cost of goods sold
- Earnings Per Share
- Profit Before Tax

3 STRATEGIC PRIORITY: OPERATIONAL EXCELLENCE AND SAFETY

Capitals Enhanced



Material matters addressed

- Occupational Health and Safety

Key risks

- Technology Obsolescence
- Plant Safety Compliances

Progress in FY 2024-25

- Asset integrity study & OEE across all locations to improve productivity and reduce effluents in existing plants
- Enhance use of narrow band technologies for manufacturing and automation
- Ensuring better capacity utilisation and better process towards cost leadership
- Adequate steps undertaken to ensure safety like process automation to eliminate human error, enhanced training and frequent audits, stringent measures and protocols

KPIs

- Optimum plant utilisation
- Improve SHE aspects

4 STRATEGIC PRIORITY: WIDEN PRODUCT PORTFOLIO

Capitals Enhanced



Material matters addressed

- Product Innovation

Key risks

- Global geopolitics and monetary risk Technology obsolescence

Progress in FY 2024-25

- Meaningfully enhance core technology platforms including nitration, reduction and diazotisation; and build platforms, including fluorination and photochlorination
- Investment in manufacturing products that utilise core technology platforms for new agrochemical and pharmaceutical intermediates
- Setting up facilities for downstream or value-accretive products
- New R&D Centre at Savli, Vadodara to foster innovation

KPIs

- New products launched during the year

5 STRATEGIC PRIORITY: SUSTAINABLE GROWTH

Capitals Enhanced



Material matters addressed

- Occupational Health & Safety
- Climate Change
- Water Use & Effluent Management
- Community Involvement
- Waste Management
- Energy Management
- Customer Relationships

Key risks

- Plant Safety Compliances
- Environment Norms Compliances
- Reputational Risks

Progress in FY 2024-25

- Sustained alignment to Responsible Care, Together for Sustainability (TfS) and Nicer Globe affiliation
- Focus on value from waste initiatives
- Conduct regular energy audits for all locations
- Promote a positive HSE culture and maintain safe operations
- Proactive compliance with all local and national regulatory requirements

KPIs

- Reduction of specific freshwater consumption
- CSR spends, beneficiaries and impact
- Energy conservation efficiency

FINANCIAL CAPITAL

Fuelling Growth Through Financial Discipline

Financial capital forms the cornerstone of our value creation model. We are focused on disciplined capital allocation, prioritising prudent expansion and operational efficiency to maximise returns to shareholders and business growth.



Material issues addressed

Growth and profitability

Key risks considered

- Business risk
- Funding risk

UN SDGs impacted



OUR APPROACH

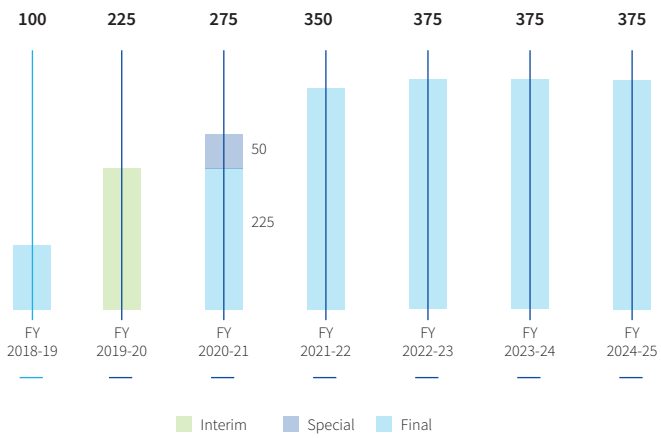
We are committed to efficient deployment of financial resources and maintaining a strong balance sheet to support sustainable growth and value creation. Our disciplined approach focuses on leveraging opportunities that drive revenue expansion, improve profitability, and enhance shareholder returns, even amid external challenges. We also ensure sufficient liquidity, optimal cost of capital, and preserve healthy gearing ratios.

We continue to invest strategically across multiple dimensions — strengthening our manufacturing and intellectual capabilities, nurturing our people and communities, and integrating environmentally responsible practices. All investments are periodically reviewed under a stringent capital allocation framework to ensure improved outcomes.

Value creation

Consistently rewarded shareholders

DIVIDEND AS % OF FACE VALUE



PERFORMANCE IN FY 2024-25

- Successfully navigated external challenges from macroeconomic uncertainties, geopolitical tensions, demand slowdown, elevated input prices, and oversupply from China
- Delivered a resilient performance, supported by volume growth and product portfolio expansion
- Optimised assets and improved efficiencies, achieving record production levels for key products
- Intensified focus on cost optimisation with ongoing initiatives on process recalibration and digital transformation
- The Board of Directors has recommended a Final Dividend of ₹ 7.50 (375%) per equity share of ₹ 2.00 each for FY 2024-25
- On a consolidated basis, Deepak Nitrite has a net worth of ₹ 5,389 Crores, thereby strengthening its balance sheet for future expansion

₹27,043 Crores

Market capitalisation as of March 31, 2025

Message from the Director (Finance) & Group CFO



AGAINST A BACKDROP OF MARKET UNCERTAINTY, WE DELIVERED CREDIBLE RESULTS THAT REFLECT THE UNDERLYING STRENGTH AND ADAPTABILITY OF OUR BUSINESS.

DEAR SHAREHOLDERS,

It is with optimism that I present to you the performance review and strategic outlook for Deepak Nitrite Limited for FY 2024-25. While this year tested our resilience amid global uncertainties and a softened pricing environment, it also reaffirmed our commitment to disciplined approach towards customer orientation, cost leadership, effective procurement ideas, execution of projects and long-term value creation.

Our integrated approach across strategic business units, sharp focus on operational efficiency, and a deep-rooted culture of sustainability have enabled us to weather the turbulence and emerge stronger.

ANCHORED IN INDIA'S CHEMICAL GROWTH STORY

While Indian Chemical Industry plays a leading role amongst the producers of the World and those in Asia, Deepak Nitrite continues to play a pivotal role in India's chemical value chain, aligning closely with the country's aspirations of self-reliance and sustainable manufacturing. With a balanced portfolio that spans across basic chemicals, performance products, and high-growth intermediates, we remain a trusted partner of choice to industries such as pharmaceuticals, agrochemicals, paints, polymers, and electronics among others. Our strategy has been to focus not only on scale and cost leadership, but also on value-added innovation and import substitution where we are increasingly recognized for our stewardship.

In FY 2024-25, we also deepened our commitment to research-driven development, technological innovation, and sustainable growth. As global supply chains continue to realign, India's role in the chemical and intermediate landscape is growing stronger. Deepak Nitrite is well poised to harness this momentum through investments in people, processes, and platforms of innovation.

RESILIENT FINANCIAL PERFORMANCE AMID MARKET CHALLENGES

Against a backdrop of market uncertainty, we delivered credible results that reflect the underlying strength and adaptability of our business. Our consolidated revenue grew by 8% to ₹ 8,282 Crores from ₹ 7,682 Crores in FY 2023-24. EBITDA stood at ₹ 1,176 Crores, maintaining a robust 14% margin. Profit Before Tax (PBT) was ₹ 953 Crores and Profit After Tax (PAT) came in at ₹ 697 Crores, a reflection of our operational discipline amid shifting market dynamics.

IN FY 2024-25, WE ALSO DEEPENED OUR COMMITMENT TO RESEARCH-DRIVEN DEVELOPMENT, TECHNOLOGICAL INNOVATION, AND SUSTAINABLE GROWTH. AS GLOBAL SUPPLY CHAINS CONTINUE TO REALIGN, INDIA'S ROLE IN THE CHEMICAL AND INTERMEDIATE LANDSCAPE IS GROWING STRONGER. DEEPAK NITRITE IS WELL POISED TO HARNESS THIS MOMENTUM THROUGH INVESTMENTS IN PEOPLE, PROCESSES, AND PLATFORMS OF INNOVATION.

It is worth highlighting that while H2 was relatively muted due to soft pricing, volatile input costs, we ended the year on a stable note. This was driven by recovery in the Advanced Intermediates segment and consistent volume gains in the Phenolics business.

SEGMENTAL PERFORMANCE: NAVIGATING WITH AGILITY

In the Advanced Intermediates segment, we witnessed margin compression in the early quarters largely due to softer realisations, we rebounded strongly with improved demand visibility and greater customer engagement across applications.

The Phenolics segment posted revenues of ₹ 5,805 Crores, a 16% year-on-year growth, with an EBIT of ₹ 783 Crores, representing a 13% margin. Volume growth was visible across all product lines, while pricing environment remained soft and input cost inflation remained. These results reinforce the strategic significance of Phenolics business as a strong margin and cash flow contributor.

Our revenue mix for FY 2024-25 stood at 84% domestic and 16% export, with domestic revenues of ₹ 6,923 Crores and exports at ₹ 1,359 Crores. This balance reaffirms our dominant presence in the Indian market while also reflecting the growing global interest in our products and capabilities.

CAPEX, CAPACITY, AND CAPABILITY: INVESTING FOR TOMORROW

While the Company is on the verge of competing and commence commercial production out of its ongoing projects, FY 2024-25 was a year dedicated to laying robust foundations for future growth. The Company announced total capex plan of ₹ 8,500 Crores for setting up of projects of Phenol-Acetone, IPA, Polycarbonate resin and its compounds. Several capacity augmentation and debottlenecking projects were initiated, setting the stage for volume growth, vertical integration, and margin expansion.

We are particularly excited about the upcoming state-of-the-art R&D Centre near Vadodara, to be developed with an investment of over ₹ 100 Crores. Once commissioned, this facility will serve as the innovation nerve centre for our speciality portfolio, accelerating new product development, improving sustainability, and enabling strategic shifts toward high-value downstream chemistries.

FINANCIAL STRENGTH AND MARKET ENDORSEMENT

We continue to maintain a strong balance sheet, a key enabler of our growth ambitions. Consolidated Net Worth as of March 31, 2025, stood at ₹ 5,389 Crores, with standalone net worth at ₹ 3,126 Crores. Our ongoing expansion initiatives are entirely supported through internal accruals and long-term credit lines, ensuring minimal pressure on liquidity.

We are pleased to share that ICRA Limited reaffirmed our credit ratings this year, maintaining Deepak Nitrite's long-term rating at [ICRA]AA (Positive) and short-term rating at [ICRA] A1+. Deepak Phenolics received identical ratings, reaffirming our financial prudence, execution ability, and governance standards. These ratings enhance our ability to mobilize capital at effective costs, a crucial factor in sustaining capital expenditure cycles.

Importantly, we continue to operate with optimum debt levels supported by strong internal accruals and prudent capital allocation. This gives us financial flexibility to confidently pursue investments for value addition and growth without compromising on financial stability. With a high credit rating and a strong balance sheet, we are well-equipped to absorb volatility, scale investments, and consistently deliver long-term value to our shareholders.

AS WE TURN TO FY 2025-26, WE DO SO WITH A SPIRIT OF RENEWED OPTIMISM AND DISCIPLINED EXECUTION. THOUGH GLOBAL HEADWINDS MAY PERSIST, OUR STRATEGIC INVESTMENTS, EFFICIENT OPERATIONS, AND EXPANDING PRODUCT PORTFOLIO PLACE US ON A STRONG PATH FORWARD. SEVERAL OF OUR NEW FACILITIES ARE EXPECTED TO COME ONLINE IN PHASES ACROSS FY 2025-26, FROM Q2 THROUGH Q4, SETTING THE STAGE FOR A BRIGHTER FUTURE FY 2026-27 WHEN THEIR FULL-YEAR IMPACT WILL BE REALIZED.

DELIVERING ON SHAREHOLDER COMMITMENT

Our shareholders are at the heart of every decision we make. In continuation of our dividend tradition, the Board has maintained the aannual dividend at ₹ 7.5 per share in FY 2024-25, representing 375% of face value. This reflects not just our financial performance, but our belief in sharing success with those who have consistently supported our journey.

VISION FOR FY 2025-26 AND BEYOND

As we turn to FY 2025-26, we do so with a spirit of renewed optimism and disciplined execution. Though global headwinds may persist, our strategic investments, efficient operations, and expanding product portfolio place us on a strong path forward. Several of our new facilities are expected to come online in phases

across FY 2025-26, from Q2 through Q4, setting the stage for a brighter future when their full-year impact will be realized.

We remain committed to long-term profitability, deeper integration levels, and technology-led differentiation. Our teams are focused on operational agility, customer intimacy, and continuous innovation, ensuring that we stay ahead of the curve in a rapidly evolving chemical landscape.

ACKNOWLEDGING OUR VALUED PARTNERS

I extend my heartfelt gratitude to all stakeholders, our employees for their commitment, our partners for their collaboration, our customers for their trust, and above all, our shareholders for their unwavering confidence. The journey ahead is full of promise. With a clear strategy, a resilient model, and a passion for excellence, Deepak Nitrite is well positioned to shape a more self-reliant, more sustainable, and more globally relevant future.

Thank you for continuing to walk this journey with us.

Warm regards,

Sanjay Upadhyay
Director (Finance) & Group CFO
Deepak Nitrite Limited

WE REMAIN COMMITTED TO LONG-TERM PROFITABILITY, DEEPER INTEGRATION LEVELS, AND TECHNOLOGY-LED DIFFERENTIATION. OUR TEAMS ARE FOCUSED ON OPERATIONAL AGILITY, CUSTOMER INTIMACY, AND CONTINUOUS INNOVATION, ENSURING THAT WE STAY AHEAD OF THE CURVE IN A RAPIDLY EVOLVING CHEMICAL LANDSCAPE.

MANUFACTURED CAPITAL

Accelerating Expansion for Enhanced Growth and Efficiency

Expanding our manufacturing infrastructure remains central to our growth strategy. We continue to add capacities and capabilities to capture emerging opportunities while improving process efficiency and operational excellence, aimed at building a robust foundation for long-term growth.



Material Topics Linked

Growth & Profitability
Sustainable Supply Chain
Customer Relationships
Product Innovation

Key Risks

- Supply Chain Disruption/Business Interruption Risks
- Emerging competition to our existing business

Key Strategies

Expand Capacities
Enhance Margins
Widen Product Portfolio

UN SDGs impacted



KEY KPIs AND HIGHLIGHTS

7
Manufacturing facilities across 5 strategic locations

₹ 8,500 Crores
Planned capex by FY 2027-28

QUALITY CERTIFICATIONS

- **ISO 9001:2015** – Quality Management System
- **ISO 14001:2015** – Environment Management System
- **ISO 45001:2018** – Occupational Health, Safety and Management System
- **Responsible Care**
- **GOTS** Certification
- **TfS** (Together for Sustainability) Certification
- **Nicer Globe** Kosher Certification

EXPANDING MANUFACTURING CAPABILITIES

With our robust manufacturing strength and deep expertise in chemistry, we've established ourselves as a trusted partner for leading Indian and global customers. Rising demand across sectors is opening up a plethora of opportunities, driving capacity expansion and process optimisation.

During the year, our Wholly Owned Subsidiary, Deepak Chem Tech Limited (DCTL), approved a mammoth investment of ₹ 5,000 Crores to build an integrated polycarbonate resins facility at Dahej, Gujarat, in partnership with Trinseo PLC, acquiring globally recognised technology, trademarks, and assets. The plant will produce 1,65,000 MTPA of polycarbonate resin, catering to sectors such as mobility, electronics, medical devices, aerospace, packaging, and EV batteries.

DCTL's additional investment of ₹ 3,500 Crores in upstream capacities of Phenol, Acetone, and IPA brings our total commitment for the polycarbonate chain to ₹ 8,500 Crores. This will make Deepak Nitrite one of the world's largest single-location producers of Phenol and Acetone, with significant downstream integration into high-margin derivatives.

UPDATE ON OTHER PROJECTS

Nitric Acid Plant – Nandesari

DCTL is setting up a large-capacity Weak and Concentrated Nitric Acid plant at Nandesari to support nitration processes at both DNL (Nandesari) and DCTL (Dahej). These plants are expected to be commissioned in Q2 of FY 2025-26 and incorporates best-in-class technologies with critical equipment sourced from global vendors.

MIBK & MIBC Plant – Dahej

A backward-integrated MIBK and MIBC facility is being established at Dahej, which shall be utilising Acetone produced by our subsidiary, Deepak Phenolics Limited, in the vicinity. These solvents are currently fully import-dependent, and the project will enhance self-sufficiency and value addition.

To support this and other projects, DCTL is investing in essential offsite and utility infrastructure, including boilers, turbines, tank farms, substations, fire protection systems, ETPs, and air management facilities. The project is at an advanced stage, commissioning is expected in H2 of FY 2025-26.

Fluorination, Hydrogenation & Nitration Facilities – Dahej

DCTL is also developing multiple chemistry blocks to broaden its product portfolio:

- The first fluorination product has already been achieved
- The hydrogenation and nitration units are under commissioning and to start production in H1 of FY 2025-26

Most of the operations staff for these facilities have been successfully onboarded.

Other Specialty Chemical Capex – Dahej

Two speciality chemical plants are under development at Dahej. Both are at advanced stages of engineering, with long-lead equipment ordered or in the ordering phase. Construction has already commenced for both units.



ACHIEVING OPERATIONAL EXCELLENCE

In line with our commitment to continuous improvement and sustainable growth, we have undertaken several targeted initiatives to enhance operational efficiency across our facilities. These improvements span technology upgrades, energy optimisation, cost-saving innovations, and process improvements.

Operational Efficiency Initiatives:

- Installed FRP fan blades in cooling towers to optimise power consumption
- Utilised vent steam to generate low-pressure steam, reducing dependency on external steam sources
- Achieved power optimisation through process innovation in the recrystallisation of Sodium Nitrite
- Improved centrifugal pump efficiency by applying internal coatings, leading to lower energy usage
- Recovered sodium sulphate through an innovative waste minimisation process, boosting productivity.
- Shifted to using wet cake instead of dry powder in the process, reducing drying costs significantly.
- Initiated use of renewable power by successfully drawing solar energy replacing 20% of conventional power. Plans are in place to extend this initiative to other plants, with higher replacement targets in FY 2025-26.

ADOPTION OF ADVANCED TECHNOLOGIES

As part of our ongoing efforts to enhance operational performance and resource efficiency, we have implemented several innovative technologies and process improvements across our facilities. These initiatives are delivering measurable savings and strengthening our sustainability goals.

Smart Power Optimiser (Smart PO)

Commissioned at various plants, Smart PO uses ML/AI algorithms to simulate predictive load curves on electrical circuits. This initiative has resulted in 9% power savings.

Scaleban Technology Implementation

Successfully implemented to reduce steam consumption. Scaleban supports cost-effective Zero Liquid Discharge (ZLD) compliance without the need for expensive conventional technologies.

Air Blower Optimisation

Replaced high-capacity blowers with innovative, energy-efficient blowers. This has led to a 35–40% reduction in power consumption and reduced downtime and lowering maintenance costs.

Mechanical Vapour Compression (MVR)

Commissioned MVR systems to support ZLD in a cost-effective and sustainable manner, reducing reliance on conventional energy-intensive systems.

Product Innovation

Developed a product from waste generated and successfully seeded in the market and approved by customers. It is used in construction, paints, and masterbatch applications, contributing to our circular economy goals.

Product Innovation

Another value-added product derived from waste, which is targeted for use in coal washeries. It has received customer approval and successfully entered the market.

ENSURING SAFE AND SECURE OPERATIONS

For us, safety is more than a priority — it is a core value embedded in our culture. During FY 2024-25, we advanced several critical safety initiatives to ensure a safe, healthy, and compliant workplace for all employees, contractors, and stakeholders. Our efforts reflect a proactive approach to risk management, guided by our commitment to operational excellence.

Highlights in FY 2024-25

Received the Health & Safety Transformation Award by British Safety Council (International Safety Awards)

KEY SAFETY INITIATIVES

1. "PARIVARTAN" – Safety Management

We launched our Safety Management System (SMS), Parivartan (meaning transformation), to build a proactive, behaviour-based safety culture. This structured system strengthens our Occupational Health & Safety (OHS) and Process Safety Management (PSM) frameworks, aligning with global best practices.

2. Building Safety Champions

Under Parivartan, we introduced a structured Train-the-Trainer (TTT) programme to empower frontline supervisors and employees as in-house safety leaders. The programme covered:

- Permit to Work
- Contractor Safety Management
- Incident Investigation

Mandatory safety training modules on hazard identification, emergency preparedness, BBS, and first aid were also conducted for all employees and contractors.

3. AI-Driven Next-Gen Safety Systems

We deployed real-time, AI-enabled safety tools to improve operational oversight:

- Smart cameras for automatic detection of PPE violations
- AI-based fire and smoke detection using image recognition
- Live monitoring dashboards for faster incident response

We also expanded automation in high-risk operations, reducing manual intervention, improving consistency, and enhancing overall process safety.

4. Fire Safety Infrastructure Enhancement

We upgraded firefighting systems across critical units with:

- Advanced fire detection and suppression systems
- Sprinkler upgrades and enhanced emergency response mechanisms

These improvements further mitigate fire-related risks and reflect our adherence to rigorous industrial safety standards.



INTELLECTUAL CAPITAL

Growth Powered by Innovation

Our R&D excellence and innovation prowess, coupled with digital and technological advancements propel our competitiveness and growth in the dynamic landscape. We are continuously expanding our R&D capabilities and digital transformation efforts to boost innovation and optimize processes. Crucially, as we transform our processes digitally, we have implemented stringent measures and controls to maintain a sound cybersecurity posture and business continuity.



Material Topics Linked

Digitalisation
Product Innovation

Key Risks

- Technology Obsolescence
- Information Security and Confidentiality

Key Strategies

Operational Excellence
Enhance Margins

UN SDGs impacted



KEY KPIS AND HIGHLIGHTS

₹ 24.91 Crores
R&D Investment

77
Cumulative patent applications filed

22
Total patents granted

108
R&D professionals

21
PhDs employed

RESEARCH AND DEVELOPMENT

Key Focus Areas

- DSIR-approved facility
- New product development
- Development of new technology platforms for catering to niche customer requirements
- Improvement in productivity and existing product yield
- Reduction of resource consumption

Deepak Research and Development Centre (DRDC)

At Deepak Nitrite, our R&D excellence and innovation-led growth strategy focuses on delivering customer value through differentiated and sustainable products. This capability is powered by Deepak Research and Development Centre (DRDC) at Nandesari, Gujarat. DRDC is a state-of-the-art centralized research facility recognized by the Department of Scientific and Industrial Research, Government of India.

DRDC remains committed to pioneering research and development using advanced instruments and technology. A team of dedicated and highly qualified professionals and scientists leads drive innovation at this facility.

DRDC's Core Facilities and Features

Process and Product Development

The centre is equipped with cutting-edge equipment for advanced research and development of new processes and products. This includes:

- Flow Reactors
- Continuous Stirred Tank Reactors (CSTRs)
- High-Pressure Vessels
- Distillation Setups
- Melt Crystallization Setups
- Fluidized Bed Reactors (FBRs), and various filtration units

Analytical Capabilities

Analytical Wing is crucial to DRDC's scientific workflow, working alongside the synthesis team. The wing houses diverse instruments to support analytical techniques and enhance the quality and precision of the research. It includes:

- Gas Chromatographs (GC)
- Gas Chromatograph-Headspace (GC-HS)
- Gas Chromatograph-Mass Spectrometers (GC-MS)
- High-Performance Liquid Chromatographs (HPLC)
- Liquid Chromatograph-Mass Spectrometers (LC-MS)
- Preparative HPLC
- Infrared (IR) Spectrometer
- Ultraviolet (UV) Spectrometers

Specialised Process Safety Team

The team evaluates chemical processes to ensure safe operations and utilizes advanced in-house tools, including:

- Accelerating Rate Calorimeter (ARC)
- Differential Scanning Calorimeter (DSC)
- Reaction Calorimeter (RC) with gas evolution analysis

Environmental Lab

DRDC's in-house environmental Lab focuses on sustainable practices to reduce the environmental impact of industrial activities. The lab:

- Develops sustainable waste treatment methodologies for new processes and products
- Explore waste valorization opportunities

Upcoming R&D Facility at Savli, Vadodara

Our upcoming state-of-the-art R&D Centre at Savli, Vadodara is nearing completion and is expected to be commissioned within this financial year. This sprawling 5-acre campus is envisioned to be a world-class innovation center. Once fully operational, this cutting-edge facility will provide impetus to Deepak Nitrite's R&D and innovation prowess, driving development of new products and technologies. The centre is meticulously designed to house necessary expertise and resources, such as dedicated R&D teams supported by advanced laboratories, comprehensive analytical facilities, engineering unit, piloting unit, and polymer unit. The facility shall be equipped for secure handling of various hazardous chemicals. It shall feature a dedicated unit for pressure reactors set up, ensuring controlled and safe operations.

KEY INNOVATIONS IN FY 2024-25

DRDC remained intensely engaged in innovation and R&D throughout the year, focusing on addressing plant issues and developing new processes, underscoring our commitment to continuous improvement and technological advancement.

Innovations at Commercial Stage

Six products are at commercialization stage including a complex chemistry based platform in Fluorine Chemistry.

Innovation in Scale-up phase

A product is at the scale-up phase for application in renewable energy sector.



Our upcoming R&D Facility at Savli, under construction.

DIGITAL AND TECHNOLOGY-BASED INITIATIVES

DRDC's Athena 2.0: Making R&D Efficient

Background

Deepak Research and Development Centre (DRDC) recently launched Athena 2.0, an advanced and secure web platform, evolving from its predecessor, Athena 1.0. This centralized system is revolutionizing DRDC's research and development activities. Athena 2.0 demonstrates DRDC's commitment to leveraging technology for improved data management, project oversight, and continuous innovation in scientific research.

Key Features and Capabilities

- **User-Friendly Interface:** Provides User-Friendly features and analytics, including online laboratory notebooks, presentation tools, report preparation, and project updates, all adhering to ALCOA++ principles
- **Time and Data Management:** Ensures efficient time management, data integrity, reliability, and seamless data extraction and compilation
- **Streamlined Reporting:** Enables online uploading of fortnightly reports which improves review processes, eliminates orphan data points and create a complete audit trail
- **Comprehensive Project Oversight:** Provides one-stop platform for granular overview of project activities, from idea generation to commercialization, boosting result-oriented project management
- **Knowledge Preservation:** Stores data in a structured, searchable format, preventing knowledge loss and maintain robust control of information flow



Process Optimization and Development in FY 2024-25

We revolutionize our processes throughout the optimization and development phases using advanced and integrated technologies:

- We use advanced safety control systems such as Differential Scanning Calorimeter (DSC), reaction calorimetry (RC), and accelerating rate calorimetry (ARC)
- For optimizing processes and advanced control in vapour phase reactions, we employ continuous stirred tank reactors (CSTRs), high-pressure vessels, and parallel reactor systems
- In large-scale production environment, our operational efficiency and control is driven by a SCADA (Supervisory Control and Data Acquisition) based distributed control system (DCS)

Supervisory Control and Data Acquisition (SCADA)

SCADA, or Supervisory Control and Data Acquisition, an advanced control system architecture uses computers, networked data communications, and intuitive graphical user interfaces (GUIs) to monitor and control complex industrial processes. The integration of SCADA allows for the upload of data, fostering future communication and collaboration.

Five-Star Safety Interlock for Process Control

We have implemented five-star level safety interlock process control system to regulate the critical process parameters. This sophisticated system plays a crucial role in ensuring robust process control, mitigating unwanted hazards and safeguarding people and the environment. Safety protocols and controls are further reinforced through external process safety audit for ongoing projects.

Advanced Literature Facilities

DRDC offers advanced literature resources such as SciFinder and Reaxys for literature search, and engineering tools such as Mixit and ASPEN. This ensures our team remains abreast with the latest scientific advancements.

DIGITAL SECURITY

Our digital security Approach

We have created a robust framework of digital security measures to mitigate risks, safeguard our digital assets and enhance our operational resilience.

Risk Mitigation Framework

Cybersecurity Infrastructure

- State-of-the-art firewall systems
- Intrusion detection and prevention systems
- Stringent access controls
- Cutting-edge authentication and encryption technologies

Business Continuity Planning

- Regular backups
- Redundancy measures
- Disaster recovery strategies

Incident Response

- Incident response team
- Communication channels
- Documented processes for containment, investigation and recovery

Employee Awareness

- Regular training sessions
- Awareness campaigns – Best practices, data protection, potential threats

Regulatory Compliance

- Data protection regulations
- Privacy laws
- Cybersecurity frameworks
- Frequency of compliance audits and assessments

ENHANCING CYBERSECURITY INFRASTRUCTURE

We have strategically employed cutting-edge technologies to fortify our digital infrastructure, secure sensitive data and reduce the likelihood of breaches. Strong controls have been operationalized to maintain a robust cybersecurity posture and uninterrupted operations.



INCIDENT RESPONSE AND CONTINUITY PLANNING

At Deepak Group, we have established comprehensive incident response protocols executed by a dedicated team, streamlined communication strategies and a systematic approach to contain, mitigate and recover from potential incidents. Robust business continuity planning protocols are in place to ensure uninterrupted operations and quick recovery from potential cyberattacks. Our Security Operation Center (SOC) continuously monitors our systems and ensures appropriate proactive and reactive defences against evolving threats.

CYBER SECURITY AWARENESS

To effectively combat cyberthreats, we invest in employee training. We train them and raise their awareness of sophisticated phishing and social engineering attacks and promoting best practices, we ensure our employees are equipped to be the primary defence, fostering a safety-first culture.

REGULATORY COMPLIANCE

Deepak Group prioritize compliance with all laws and regulations related to data protection. This is ensured through regular audits and assessments, aligning operations with cybersecurity and data privacy frameworks, standards and regulations.

OUR STATE-OF-THE-ART CCTV CONTROL ROOM

To enhance oversight and monitoring for our sites, Deepak Group has set up a centralized, state-of-the-art CCTV control room at the corporate office. This advanced control room enables real-time monitoring of all sites by respective SBU Heads/Corporate HODs. It also streamlines incident investigations at Corporate Level and uses AI-powered alerts for fire & smoke and perimeter intrusion detection.



KEY BENEFITS

- 24/7 Security operations and monitoring leading to enhanced productivity
- Increased efficiency level and reliability
- Reduction of human error
- Decrease in sabotage / pilferage attempts
- Smooth and uninterrupted monitoring
- Deterrent to mischievous elements in plants
- More secured environment for all plants
- Enhanced reputation
- Real-Time Response against deviations
- Incident investigation & live monitoring
- Showcasing sites to VVIPs and visitors directly from corporate office, when required
- Alerts on Fire, Smoke & Perimeter
- Intrusion Detection can be received at Corporate Central CCTV Control Room
- Frequent Monitoring by SBU Heads & Corporate HODs
- Assists in defining central policies for Deepak Group

TURNSTILE SYSTEMS

We have installed and implemented turnstile systems across all our sites to safeguard and manage the access of premises by contract workers, visitors, etc. These systems provide superior access control, actively detecting and deterring unauthorised entries & exits. As an additional benefit, we now directly use data generated from turnstile systems for contractor billing.

HUMAN CAPITAL

Nurturing a Thriving Workforce

We consistently strive to create a workplace where our people feel truly valued and can thrive. To achieve this, we have implemented several initiatives focussed on their learning, growth, wellbeing and overall development. We deeply value the power of a diverse workforce and relentlessly work to create an inclusive ecosystem with equitable opportunities for all.



Material Topics Linked
Occupational Health & Safety
Human Rights
Employee Engagement
Diversity, Equity & Inclusion

Key Risks

- Succession Planning / Critical Position Planning
- Plant Safety Compliances
- Reputational Risk

Key Strategies

Operational Excellence and Safety

Sustainable Growth

UN SDGs impacted



HUMAN CAPITAL MANAGEMENT FOCUS AREAS

- Talent Development and Capability Building
- Upskilling of the IT employees on SAP certification
- Strengthening Performance Oriented Culture
- Employee Communication and Engagement
  - Celebrations, Get-togethers, Mentoring and Leadership programs
- Employee Wellbeing
  - Employee benefits and friendly policies
  - Deepak Cares initiative for employees and their families

KEY KPIs AND HIGHLIGHTS

2,818
Employees on payroll

3,304
Contractual Employees

150+
Total Female Workforce

1,01,372
Hours of training provided

Zero
Incidents of labour unrest

0.29
LTIFR

₹ 1.35 Crores
revenue per employee

TALENT MANAGEMENT

- Succession planning - Identification of critical positions
- Internal mobility as part of capability building and succession planning initiatives, focus is also on filling up positions through internal mobility

DIVERSITY, EQUITY AND INCLUSION (DEI)

We are in the nascent stages of our DEI journey; however, our DEI strategies and initiatives are firmly shaped by Deepak Group's strong conviction in the strength of a diverse workforce and an inclusive and equitable work culture. DEI, for us, is more than a checkbox; it's an evolving journey toward a culture where every individual, regardless of background, ability, or identity, feels seen and celebrated.

Together, we're not just growing – we're becoming stronger, more inclusive, and more united.

Setting the DEI Foundation

We are actively building an inclusive environment, grounded in progressive policies and infrastructure.

Formal DEI Policy

Our organization-wide formal policy emphasizes an inclusive, respectful, and bias-free work environment for everyone.

Accessible Infrastructure

Our new office spaces are thoughtfully designed with features such as ramps, wide washrooms, and spacious lifts to ensure inclusion and accessibility for all employees.

Inclusive Hiring

The Talent Acquisition team is making a conscious effort to include female candidates in all recruitment efforts, actively tracking gender representation across roles to ensure diverse hiring.

Paternity Leave Rollout

Paternity leave has been introduced phasewise and now across Deepak since last year to support shared caregiving responsibilities, which has been utilised by around many employees of the Group.

Ensuring Safe and Accountable Workplace

POSH Committees

Our Internal Complaints Committees (IC) across locations are trained and certified to handle workplace issues proactively and sensitively.

Awareness Sessions

A specialised session was conducted for IC members, enhancing their readiness and confidence in addressing sensitive issues. The title of the session was "Crisis or Opportunity? How to Rebuild Trust After a Sexual Harassment Incident".

Communication

We maintained consistency in reinforcing our zero-tolerance approach to misconduct through internal emails and messages, communicating our stance as an Equal Opportunity Employer.

Celebrating Uniqueness

We actively celebrate diversity through various initiatives, raising a culture where the contribution from every individual is valued.

International Women's Day

We celebrated this day with enthusiastic participation from all employees, especially our male allies, underlining gender equity as a collective responsibility.

International Day of Persons with Disabilities

We held an informative session across the Group to raise awareness, empathy, and understanding for individuals with disabilities.

Advocating for STEM Inclusion

A female colleague from our Centre of Excellence represented Deepak Group at the prestigious Azeotropy 2024 symposium at IIT Bombay, championing inclusion in STEM fields.

Extending Inclusion Beyond the Workplace

Deepak Group's philosophy of creating an inclusive ecosystem is not confined to the workplace; it actively reaches into the wider community. It was exemplified at our Deepak Corporate Concert, where visually impaired children from Deepak Foundation had a special presence. Their inspiring performance served as a beautiful reminder of acceptance and visibility, symbolizing the broader social inclusion we strive to champion.

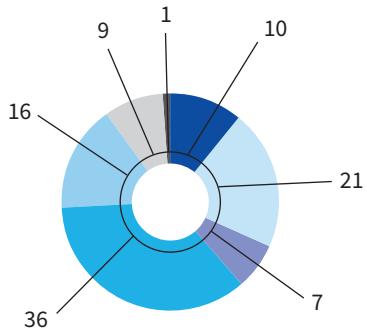
The Road Ahead: Our DEI Commitments

While our current gender diversity stands at around 2.5%, we remain deeply committed to achieving long-term, sustainable change through continuous improvement. Our future path is clear, with primary focus areas including:

- Increasing gender representation across all functions
- Developing more inclusive infrastructure and refining our hiring practices
- Strengthening data collection and accountability for informed progress
- Establishing Employee Resource Groups (ERGs) for shared identity and support

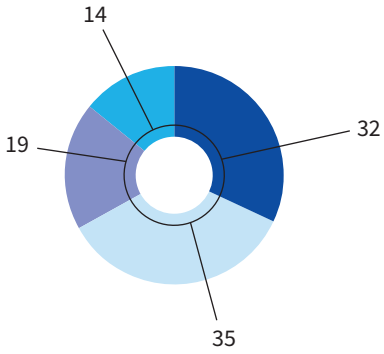
DIVERSITY OF WORKFORCE

By Qualification (%)



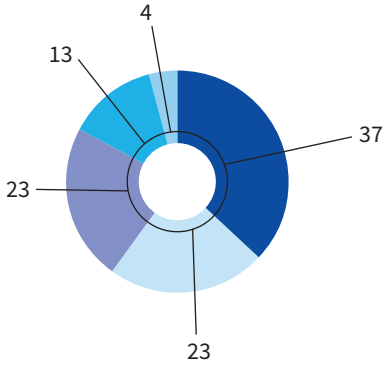
- Generalists
- Technical Experts
- Commercial Experts
- Chemical Experts
- Engineers
- Professionals
- Doctorates

By Age (%)



- 18-30
- 30-40
- 40-50
- 50-60

By years of Experience (%)



- 0-5
- 5 to 10
- 10 to 20
- 20-30
- 30-40

LEARNING AND DEVELOPMENT

We are committed to the continuous growth and development of our employees. We offer need-based customized learning interventions to build employee capabilities in alignment with our business needs. These programmes are curated by our internal and external SMEs, aimed at accelerating the career trajectories of our people, while helping us meet our organisational goals.

Growth through Internal Job Posting

Our newly launched Internal Job Posting policy encourages employees to pursue growth opportunities through job movement within Deepak Group. 126 employees have already benefited through this policy, successfully transitioning into new roles.

DEEPAK CARES

In collaboration with M/s. Silver Oak, the organization launched DEEPAK CARES initiative to prioritise wellness of Deepak Group family. The initiative benefits the employees and their direct family members by providing online mental wellness support through features including counselling services, informative webinars on wellness topics and access to a dedicated helpline number.

Talent Display Platform

The platform provides employees with a vibrant space to showcase their hobbies, interests and hidden talents. This year, we organized HOBBY gallery and Musical Evenings that witnessed overwhelming participation and incredible display of our employee's talent.

Employee Engagement Survey in 2025

We recently completed the AIKYAM Employee Engagement survey for 2025 (Great Place to Work Survey) conducted by M/s. Lissen.IO. DNL achieved an engagement score 65 whereas DPL scored 70.

OCCUPATIONAL HEALTH AND SAFETY (OH&S)

Our Health and Safety Policy sets the ground for driving occupational health and safety of our employees and stakeholders. We have established an Integrated Management Systems (IMS) across all locations, adhering to ISO 45000 and ISO 14001 standards.

Key Features on IMS

- Continuous improvement through Plan-Do-Check-Act cycle
- Measurable OSH objectives and stringent safety protocols and procedures
- Regular audits and inspections to ensure compliance with safety standards and identification of the improvement areas

14.61 Mn

Manhours without loss time incidence at DPL

Risk Assessment

We proactively identify and assess workplace risks and hazards using HIRA (Hazard identification and Risk Assessment) framework. The framework provides a systematic approach for proactive identification of work-related hazards, enabling us to eliminate or control potential risks before they can escalate into safety incidents. To ensure clear accountability, we have defined responsibilities, accountabilities and authority of persons involved in identifying, evaluating or controlling OH&S hazards and risks.

OH&S Oversight and Implementation

Occupational health and safety performance at Deepak Group is line management's responsibility with periodic reviews from our top leadership. We encourage active participation and communication with the employees, workers and their representatives for effective implementation of the OHS management system.

International Men's Day

Our male employees engaged in open conversations, challenging stereotypes and pledging their support for a more inclusive future on our "Promise Board".



EMPLOYEE ENGAGEMENT AND WELLBEING

Value Creation Story

Boosting Employee Satisfaction Through "You Spoke, We Listened" Campaign

Background: Understanding Employee Sentiment

During FY 2022-23, Deepak Phenolics Limited (DPL) conducted an employee satisfaction survey to gain insights into the workforce morale and engagement levels. The survey yielded several critical improvement areas including gaps in workplace policies, insufficient health and wellness support, and unresolved concerns raised by exiting employees. The findings were crucial in pinpointing the factors contributing to employee dissatisfaction and increasing attrition rate.

Intervention: "You Spoke, We Listened"

Responding to the survey findings, the HR Team launched a targeted campaign titled "You Spoke, We Listened". The core objective was to translate employee feedback into meaningful actions through a wide spectrum of strategic HR initiatives undertaken to raise the overall employee satisfaction.

Key Initiatives: Putting feedback into action

Policy Reforms for Employee Friendliness

- HR policies were reviewed and revised, making them more employee-centric
- New policies were formulated to address the financial wellbeing of the employees
- Introduced revised leave policy to enhance the work-life balance of the employees

Continuous Learning and Development

- New learning platforms were introduced to promote upskilling and professional growth
- Offered employees with the access to self-paced learning, certifications, and leadership development programs

Health and Wellbeing Focus

- Partnered with Silver Oak Health to launch a holistic health platform
- Enabled employees and their family members to consult with health professionals, including mental health counsellors, dietitians, and fitness experts
- Rolled out physical fitness schemes, offering employees with certain amount of the reimbursement against the membership fees of the fitness centres

Exit Feedback and Pain Point Analysis

- Collaborated with an external agency to seek unbiased feedback from former employees
- Analyzed collected data to identify key rivers of attrition, enabling us to implemented targeted initiatives to address root cause
- Taken corrective actions to avoid future recurrences

Benefits and Positive Impact

- **+8 points increase** in the Employee Satisfaction Score in the latest survey at DPL
- **6% decline in the attrition rate at DPL** as compared to the previous year
- **Improved employee engagement** and participation in learning programs and wellness initiatives
- **Stronger trust** in leadership and HR processes

AWARDS AND RECOGNITIONS



Lifetime Achievement Award by Indian Chemical Council

Shri Deepak C. Mehta, Chairman & Managing Director is honoured with ICC Lifetime Achievement Award.



Rasayan Udyog Ratna award by The Indian Chemical Society

Shri Deepak C. Mehta Chairman & Managing Director, is honoured with the Rasayan Udyog Ratna award on the Centennial Celebrations of The Indian Chemical Society.



Indian Chemical Engineering Congress 2025

Shri Deepak C. Mehta, Chairman & Managing Director received Lala Shriram National Award.



ICMAI Achievers Meet 2024 Awards for Leadership & Professionalism

Shri Sanjay Upadhyay, Director (Finance) & Group CFO has been felicitated at ICMAI Achievers Meet held in Delhi on December 12, 2024.



Awards for Excellence in industry & Business at 18th ICAI Awards for CFO

Shri Somsekhar Nanda, Chief Financial Officer, has been awarded the esteemed CFO award at the 18th ICAI awards, organized by The Institute of Chartered Accountants of India (ICAI).



CII CIO Excellence Awards 2025

Shri Krishna C. Bahuguna, Chief Information Officer, received Leading CIO of the Year 2025.



DET HURUN Excellence Awards 2024

Deepak Nitrite Limited received DET Hurun India Manufacturing Excellence Awards 2024.



British Safety Council

Deepak Nitrite Limited won the Global Health & Safety Transformation Award 2024.



Ambitious Leadership for Climate Impact

Deepak Nitrite Limited recognised as a part of the Global Sustainable Alliance .



Indian Institute of Material Management

Deepak Chem Tech Limited Team won MATQUIZ 2024 organized by IIMM – Vadodara.



16th EXCEED Environment Award 2024

Deepak Nitrite Limited won Golden category EXCEED Environment Award.



ICC Environment Excellence Award 2025

Deepak Nitrite Limited won Gold at the 18th ICC Environment Excellence Awards.

SOCIAL & RELATIONSHIP CAPITAL

Strengthening Our Relationships

We are committed to building strong, positive connections. Our relationships with communities, supplier partners and customers are vital for sustainable growth. We actively listen and work closely with them to strengthen these ties. By prioritising meaningful engagement and shared value creation, we build a resilient and interconnected ecosystem where everyone can thrive.



Material Topics Linked
Community Involvement
Sustainable Supply Chain
Customer Relationships

Key Risks

- Reputational Risk
- Emerging competition to our existing business
- Supplier Dependency

Key Strategies
Sustainable Growth
Enhance Margins

UN SDGs impacted



COMMUNITIES

CSR VISION

To remain a responsible corporate entity mindful of its social responsibilities to all stakeholders including consumers, shareholders, employees, local community and society at large.

CSR FOCUS AREAS

- Education
- Healthcare
- Women Empowerment
- Livelihood and Skill Development
- Infrastructure Development
- Environment, Sanitation and Water Conservation

KEY KPIS AND HIGHLIGHTS

₹ 24.36 Crores
CSR Spend

7,00,000+
CSR Beneficiaries during FY 2024-25

2,000+
Villages covered

25
Districts across 5 States served

CSR APPROACH

Deepak Nitrite Limited ('Company') and its subsidiaries (collectively referred to as 'Deepak' or 'Deepak Group') undertake their social intervention programmes in several critical areas through Deepak Foundation, the Group's CSR arm as well as through various other NGOs and also directly. Over the years, Deepak has been actively engaged with the communities nearby our facilities and beyond, striving to improve their livelihoods and elevate their socio-economic status.

Through its flagship projects, Deepak Group is committed to enhancing the quality of life for even the most remote and underserved communities, reaching those at the lowest rung of society.

Read our CSR Policy

HEALTHCARE INITIATIVES

DEEPAK MEDICAL CENTRE

Deepak supported Medical Care Centre Trust ('MCCT') with around ₹ 11 Crores over past three years to construct a new Hospital Building and to strengthen their existing hospital buildings at KGP Children Hospital at Karelibaug. MCCT has now renamed the entire campus as 'Deepak Medical Centre' to recognize support of Deepak.

Deepak Medical Centre serves as a tertiary care paediatric hospital for the disadvantaged population of Vadodara, Central Gujarat and neighbouring states of Madhya Pradesh, Rajasthan, Maharashtra. MCCT has dedicatedly provided medical care to more than 2.5 million children, predominantly free-of-cost or on a subsidized basis over the past four decades. The hospital provides expansive medical facilities including Paediatric Cancer Department, Paediatric Intensive Care Unit, Neonatal Intensive Care Unit, Apang Shishu Kendra (specially abled children centre), Shri Jalaram Blood Centre - regional blood transfusion centre, Cleft Lip and Palate Restoration Centre under 'Smile Train Project'.

The new Hospital Building was inaugurated by Shri Deepak Mehta on March 9, 2025. It has been furnished with various state-of-the-art facilities, enabling the centre to serve an even greater population of communities with unparalleled medical care.







NIDAAN VANS: INTEGRATED EFFORTS TOWARDS ELIMINATION OF TUBERCULOSIS

Since 1962, the Government of India has been working tirelessly towards TB eradication. The Government launched National Tuberculosis Elimination Programme under its vision to eliminate Tuberculosis by 2025. Deepak has been actively supporting Deepak Foundation, since 2023, playing a pivotal role in achieving this national mission through Integrated efforts towards TB elimination by 2025.

₹ 200.39 Lakhs

Spent on the Project in FY 2024-25

Nidaan Vans

A significant proportion of India's population resides in tribal areas, with limited access to TB healthcare at such locations. Deepak Foundation conceptualized Nidaan Van to provide last-mile TB diagnosis facility at the doorstep even in the remote tribal locations.

At present, there are three fully equipped Nidaan Vans operating in the Vadodara, Bharuch, Chhota Udepur, Dahod, Panchmahal, Narmada, Kheda, Anand, Mahisagar, VMC, Palghar and Pune districts of Gujarat and Maharashtra.



Key Activities Supported by Nidaan Vans

- AI-powered X-ray interpretation
- TB, HIV, RBS, HB, CBC, BP, eye check-ups and liver function tests
- Referral support, nutritional counselling, and follow-up
- Support to government campaigns, including 100-day intensified TB Campaign
- Nutrition support to TB patients under Pradhan Mantri TB Mukt Bharat Abhiyan
- Integrated with Sparsh and Vivek Vidya projects for school health
- Provide services in flood-affected areas and police stations/schools

Improvement Achieved

57,578

Total Individuals benefited through TB screening

- **X-ray Screenings:** 9,876 presumptive TB cases identified for further treatment out of 39,156 screenings.
- **Nutrition Kits:** Distributed 3,695 nutrition kits to 1,094 beneficiaries, with 463 patients reporting weight gain.
- **Treatment Outcomes:** 251 out of 1,094 patients cured from Tuberculosis, and another 228 patients completed their treatment.
- **Random Blood Sugar (RBS) Screening:** 10,975 Hyperglycaemic cases identified and referred for further treatment out of 34,848 RBS screening.
- **Haemoglobin (HB):** 7,657 anaemic cases identified and referred for further treatment out of 9,246 HB screening.
- **HIV Tests:** 7 reactive cases identified out of 10,979 tests and referred for further treatment.
- **Liver Function Tests (LFT):** 253 abnormal cases identified and referred for further treatment out of 900 cases.
- **Eye Testing:** 17,484 abnormalities identified out of 26,332 patients, comprising 14,995 refractive errors and 2,489 ocular conditions.



MOBILE MAMMOGRAPHY UNIT

With Deepak's support Deepak Foundation established a new Mobile Mammography Unit (MMU) in Dahej, Gujarat. The initiative facilitates doorstep screening and diagnosis of breast cancer for women in the remote villages of Bharuch, Dahej (Vagra block), and Vadodara. This enables the rural women to express their medical concerns without hesitation or without travelling to the main city for diagnosis.

Key services offered by MMU

- Regular OPD consultations and community-based mammography screening
- Awareness sessions on breast and cervical cancer
- Practical hands-on sessions for Breast Self-Examination (BSE)
- Referral of suspected cases to tertiary hospitals
- Follow-up tracking of referred patients for treatment initiation and outcomes

Improvements Achieved

- Early detection of breast abnormalities led to timely referral and intervention, potentially boosting survival rates
- Hands-on Breast Self-Examination (BSE) training empowered women to spot early signs of breast cancer
- Reduced stigma and fear associated with cancer screening through IEC sessions and personal counselling
- Lowered out-of-pocket expenses for rural women by delivering door-step diagnostics and awareness
- Increased awareness and participation in preventive cancer care in underserved regions

₹ 95.68 Lakhs

Spent on the Project in FY 2024-25



MMU Highlights

2,135
Total Female Beneficiaries

344
Mammography Screenings Conducted

68
OPD Consultations Conducted

20
Total suspected cases referred for further treatment

1,586
Participants in Awareness Session

COMMUNITY WELFARE AND INFRASTRUCTURE DEVELOPMENT INITIATIVES

SVADES (SOCIETY FOR VILLAGE DEVELOPMENT IN PETROCHEMICALS AREA)

During the year, Deepak supported SVADES (Society for Village Development in Petrochemicals Area) – a collaborative effort to unite the industry and rural communities for socioeconomic development in the rural areas surrounding industrial operations. Deepak partnered with SVADES for construction of community hall in Radhiyapura village, Nandesari. The facility will be utilized for hosting social and community gatherings, local haat bazar, and will include space for a dairy cooperative, workshops and local SHG groups meetings.



DEEPAK MEDICAL FOUNDATION (DMF) HOSPITAL – NANDESARI

Deepak Medical Foundation operates one of the leading hospitals at Nandesari GIDC, Vadodara, Gujarat, providing 24/7 medical care and treatment to the nearby communities for over four decades. With humble beginnings as a mother and child clinic (MCH Unit), DMF Nandesari has now transformed into a full-fledged 28-bed multispeciality hospital. It features a 10-bed ICU, 24x7 casualty services, OPD and IPD facilities, Occupational health centre and speciality OPD for Gynaecology, Obstetrics, Paediatrics, Psychiatry, General Surgery and Dentistry. The hospital maintains round the clock Medical Officer, experienced and trained nursing and para-medical staff. Additionally, a fully equipped diagnostic and pharmacy centre offers services at highly subsidized rates, ensuring accessibility for the local communities.



Lab Investigation Check-up

₹ 85.24 Lakhs
spent on the Project during FY 2024-25

Improvement Achieved

- Expanded access to emergency, ICU, and speciality care for peri-urban and industrial populations
- Increased patient outreach through partnerships and industrial linkages
- Enhanced preventive health behaviour in worker communities via regular outreach and health promotion activities

DMF Hospital Highlights

9,606
(Male: 4,504 | Female: 5,102)
Outpatients

925
Inpatients admitted

182
Gynaecological procedures

12,352
Diagnostic beneficiaries

10,791
Industrial workers screened

684
Sonography procedures

MOBILE HEALTH UNITS

Deepak supports Deepak Foundation's Mobile Health Units ('MHU'), which provide doorstep healthcare services in remote and tribal areas of Raigad and Palghar (Maharashtra) and Vadodara, Chhota Udepur, and Dahej (Gujarat). These MHUs focus on primary healthcare, maternal and child health, adolescent anaemia management, malnutrition screening and preventive care.

₹ 245.80 Lakhs
spent on MHUs during FY 2024-25

Key Activities Supported

- Regular OPD consultations, medicine distribution, and counselling
- Anemia management, growth monitoring and health screening of children and adolescents
- Community-based health education and Behaviour Change Communication (BCC) sessions
- IEC sessions on ORS, breastfeeding, hygiene, zinc use, etc.
- Periodic health camps, Nutrition rehabilitation and follow-up

Improvements Achieved

- Improved haemoglobin levels in adolescents
- Reduced undernutrition in enrolled children with follow-up counselling
- Promoted hygiene, breastfeeding, and safe motherhood through thematic sessions
- Improved healthcare access and health-seeking behaviour in remote, underserved tribal areas
- Enhanced screening and early identification of high-risk individual
- Strengthened awareness of health, hygiene, and nutrition
- Enhanced understanding of vector-borne and waterborne disease prevention
- Strong focus on women's health, child growth, and behaviour change
- Improved maternal and child nutrition indicators in industrially affected



Individual Counselling



Group Counselling Session

MHU Highlights

1,49,791
Total beneficiaries

1,14,414
OPD consultations

6,169
Underweight children screened

7,675
Adolescents screened for anaemia

19,843
Awareness and counselling sessions

2,378
Patients referred for further treatment

SAMAJ SURAKSHA SANKUL

Samaj Suraksha Sankul stands as a beacon of inclusive care in Vadodara, Gujarat, set up through a public-private partnership between Department of Social Justice and Empowerment, Government of Gujarat and Deepak Foundation.

The institution tirelessly dedicates itself to these key areas:

- **Child Protection:** The needy children receive secure and nurturing environments through Sankul School and Hostel.
- **Disability Rehabilitation:** The children with disabilities are provided therapy, education, and adaptive skills at Divyang Balgriha.
- **Elder Care:** The senior citizens lacking family care receive shelter and support through Old Age Home.
- **Aftercare Support:** The Aftercare Unit offers transition programs focusing on education, skill development, and employment for youth ageing out of institutional care.

₹ 83.60 Lakhs
spent on the Project during FY 2024-25

Key Activities at Sankul

- Offers residential care, safe accommodation, structured education, psychosocial support, and life skills to needy people
- Early Intervention Centre (EIC) focuses on children with multiple disabilities and offers physiotherapy & cognitive development sessions
- Provides training for vocational activities and helps children generate income from vocational sales, fostering self-reliance
- Undertakes health and nutrition initiatives, covering anemia management, physiotherapy and BMI monitoring
- Helps link beneficiaries with government schemes and receive entitlements; Yearly income from government schemes totalled ₹ 1.38 Crores
- Aftercare unit supported 22 young adults through education, career guidance and employment placement (salary range: ₹ 5,000 to ₹ 17,000)
- Builds capacity of staff through customized training modules and expert collaboration such as UNICEF, Blind People's Association (BPA), medical professionals, legal specialists, and academic experts to improve program quality.

Improvement Achieved

- **Enhanced Legal Access:** Secured entitlements such as foster care placements, government sponsorships, and aftercare scholarships for several children
- **Integrated Development:** Blended educational, therapeutic, and vocational inputs supported needy and disabled children reach their full potential
- **Improved Health Outcomes:** Regular BMI tracking and anemia treatment significantly improved children's health
- **Continuity of Care:** A life-cycle approach ensured consistent support from childhood through adulthood to elderly care
- **Institutional Strengthening:** Ongoing training and system improvements created a well-informed, rights-based, and accountable workforce



Samaj Suraksha Sankul Highlights

217 Residential beneficiaries
(on a rolling basis), across childcare, disability, elderly, and aftercare programs.

85 children and youth
admitted in FY 2024-25

60 children
successfully transitioned into family-based care, mainstream schools, or vocational engagement.

SUSTAINABLE LIVELIHOOD INITIATIVES

PROJECT GRAM JAL SANCHAY

The project encompasses integrated interventions for sustainable water management and climate-resilient agriculture in the Roha region of Raigad district, Maharashtra. Several initiatives related to water conservation, micro-irrigation and integrated farming practices aim to increase agricultural productivity, ensure water availability, and enhance rural livelihoods.

₹ 57.00 Lakhs
spent on the Project in FY 2024-25

Key Activities Undertaken

Jalkunds Construction

69 Lakhs Litres
of rainwater harvested with excavation of 90 Jalkunds and 69 fully lined ponds

Micro Irrigation

30 acres
of drip irrigation facilitated water-efficient vegetable cultivation across 9 villages



Wadi Development/Cluster Farming

2,900
mango and cashew saplings across 58 Wadi clusters planted promoting climate-resilient horticulture

Solar Lift Irrigation and Solar Pumps on Jalkund

65
solar pumps installed on these Jalkunds for year-round irrigation facility with reduced dependence on non-renewable energy

Water on Wheel

100
Water on Wheel units were distributed, significantly reducing the drudgery of water collection, especially for rural women

Capacity Building of Farmers

190 farmers
trained in solar technology, plastic mulching, and sustainable farming practices

Project Gram Jal Sanchay Highlights and Impact in FY 2024-25

₹ 49.37 Lakhs
generated in crop sales from the drip irrigation plots

₹ 82,000
average earning for 60 farmers supported with drip irrigation covering 0.5 acre each

₹ 575.36 Lakhs
of total convergence amount unlocked by linking 194 farmers to various government schemes through the project Sangaath

PROJECT SANGAATH

The project implemented by Deepak Foundation, with support from Deepak Group empowers villagers and facilitates their linkage and entitlements with various government schemes. Our "Sangaath" team undergoes training and capacity building programs for effective coordination with government stakeholders. We identify eligible beneficiaries through home visits and raise awareness about the govt. schemes through community camps. We facilitate application processes both online and offline, dedicatedly tracking and following up on applications to provide comprehensive support until approval & entitlements are successfully received. The project is actively benefitting rural communities across Vadodara, Chhota Udepur, Bharuch and Morbi districts of Gujarat and Palghar, Pune and Raigad districts of Maharashtra.



₹ 346 Lakhs
Spent on the Project during FY 2024-25

46,077
Total Households Reached

1,13,596
Unique Beneficiaries Facilitated

Project Sangaath Impact

Over 2,50,602
total applications facilitated with more than 90% approval rate.

₹ 1,368 Crores
of total convergence in entitlements accessed by communities

- Direct Benefit Transfers: ₹ 154 Crores
- In-Kind Support: ₹ 3 Crores
- Insurance/Health Welfare Convergence: ₹ 1,211 Crores

MoU signed
with the District Administration of Morbi for their support and cooperation



Linkages enabled
to several welfare schemes, such as Ayushman Bharat, PMJAY, Namo Laxmi, etc.



Facilitated
documentation, such as Aadhaar, income and caste certificates, etc. to unlock entitlements

SUPPLY CHAIN

Key KPIs and Highlights

3,000+

suppliers in our supplier base

Key Priorities

- Local sourcing of materials/services to minimize environmental footprint
- Ensure equal opportunities for all to be strategic stakeholder(s) in our business operations

CASE STUDY -1

SUPPLIERS PARTNERSHIP SUMMIT – STRENGTHENING PARTNERSHIPS FOR PROJECT SUCCESS

As part of Deepak's commitment to excellence in project execution, DCTL organised a dedicated Suppliers Partnership Summit during the year to engage with our key supply chain partners involved in our ongoing projects. The objective of the meet was to foster collaboration, enhance alignment on project timelines, safety protocols, and quality expectations, and to reinforce our belief that suppliers are not just vendors, but critical stakeholders in our growth journey. The session facilitated open dialogue on challenges, expectations and opportunities to improve efficiencies and drive timely execution.

The participation and active involvement from our supplier community reaffirms our shared vision of delivering this project with speed, safety, and sustainability. The event also served as a platform to recognise outstanding contributions and encourage continuous improvement and innovation in supply chain practices. We believe that strong partnerships build stronger projects and remain committed to nurturing these relationships for long-term success.









SUPPLY CHAIN GOVERNANCE AND RISK MANAGEMENT

Deepak's Supply Chain Management ('SCM') framework prioritizes factors such as financial stability, supplier risk assessment, geographic location, compliance, product quality, sustainability and supply chain resilience.

We carefully map the demand-supply dynamics, assess supplier market reputation and interact with suppliers to systematically identify, assess and manage risks. Identified risks are periodically evaluated and mitigated by formulating appropriate strategies, including developing new vendors to eliminate reliance on monopolistic suppliers. These risk assessments are carried by our SCM team. We make transparent disclosures about our value chain performance through Business Responsibility and Sustainability Report.



SCM POLICY COMMITMENT

Our policy commitment towards sustainable supply chain is vital to position our vision to be a "Global Strategic Partner of Choice" through collaboration with our widespread global network of suppliers, prioritizing legal and regulatory compliance, ethical behaviour and practices, supplier diversity, and environmental sustainability.

We have formally adopted a Sustainable Procurement Policy that focuses on supply chain integrity and addresses environmental and social aspects throughout the process cycle from sourcing raw materials and services to product disposal and deliveries.

Our Supplier Code of Conduct clearly outlines expectations for supplier partners regarding labour and human rights, health and safety, environmental, integrity and anti-corruption, supplier diversity, trade compliance, data protection and system management processes.



SUPPLIER ENGAGEMENT AND DEVELOPMENT

Digital Initiatives

- Software introduced to streamline supplier onboarding
- Digital initiatives, including auctioning of engineering and packing material, etc. are underway to support suppliers

Supplier Training

- Provides training and development support in sustainability, safety compliance and emergency response planning to vendors

Payments to Suppliers

- Ensures payment to all registered Micro, Small and Medium Enterprises are made within 45 days from the invoice date
- Offers financial assistance in the form of bill-discounting option to help suppliers manage their working capital requirements

ESG-FOCUSED SUPPLY CHAIN PRACTICES

Our ESG and sustainability commitment across the supply chain is driven by our Sustainable Procurement Policy. We stringently evaluate and monitor supplier performance on established ESG criteria, standards outlined in the Supplier Code of Conduct and KPIs, such as quality rejection rate, lead time, availability, competitiveness and EcoVadis rating, if available. We have a comprehensive vendor assessment questionnaire encompassing major aspects of business, ethical conduct and ESG.

CASE STUDY -2

SYNERGY 2024: DEEPAK PHENOLICS LIMITED'S 1ST EDITION OF TRANSPORTERS MEET

Deepak Phenolics Limited's first Transporters Meet, "Synergy 2024" celebrated our strong relationships with transport partners, who play a vital role in driving seamless operations. The event centered around the theme - Samanvay (Collaboration), Suraksha (Safety), and Pragati (Progress). It featured insightful discussions on operational excellence, safety practices, and strengthening collaborations for mutual growth. The event provided a momentous platform to honour our partners' invaluable contributions and reinforce our shared commitment to excellence.

"Our transporters are the wheels that move our company, delivering raw materials and products across the country. Synergy was created with Samanvay, Suraksha, and Pragati in mind – to foster understanding and explore ideas for improvement".

Shri Kishor Jhalaria
Executive Director & CEO
Deepak Phenolics Limited









CUSTOMERS

Key KPIs and Highlights

1,500+
Customers

50+
Countries served

34+
High valued products

56+
Product applications

CULTIVATING STRONG RELATIONSHIPS

Levers to Enhance Customer Experience

- Understanding customer needs
- Developing high quality products
- Maintaining transparency in communication

We strengthen our customer relationships based on trust, transparency and mutual trust, actively listening to understand their needs. Our goal is to enhance their experience and satisfaction, becoming their preferred partner of choice. We strive to digitally transform our processes to maximize process efficiencies and innovation, always focussing on going beyond customer demands and expectations.

ADDRESSING CUSTOMER GRIEVANCES

We offer a formal mechanism enabling our customers to raise concerns and provide feedback. We ensure timely resolution of concerns and utilize their feedback to enhance our products and services.

Read more at BRSR – Principle 9



OUR MARQUEE CUSTOMERS



NATURAL CAPITAL

Sustainable Operations for a Greener Tomorrow

We are cognisant of our responsibility to conduct our business sustainably to create a healthier planet. We have integrated several measures across our operations to effectively reduce our carbon, water and waste footprint. We rigorously monitor and track our environmental performance and continuously implement improvements for tangible, positive outcomes.



Material Topics Linked
Climate Change & Emissions
Water Use & Effluent Management
Waste Management
Energy Management
Biodiversity
Product Stewardship

Key Risks Linked
- Environment Norms
- Compliances

Key Strategies Linked
Sustainable growth

UN SDGs impacted



KEY KPIs AND HIGHLIGHTS

14,71,670
$MTCO_2e$ Scope 1, 2 & 3 emissions

32,25,464 KWH
Energy savings through renewable energy

7,44,751 KL
Water recycled

71,358 MT
Waste recycled

80,000+
Trees planted

OUR APPROACH TO SUSTAINABLE DEVELOPMENT

Our approach to sustainability is anchored in globally accepted sustainability frameworks, including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and the United Nations Sustainable Development Goals (SDGs). Guided by these frameworks, we have implemented several initiatives specifically aimed at minimising our environmental footprint. Our core efforts focus on the systematic management of emissions, responsible water use, and sustainable waste practices.

Levers for Sustainable Development

- Sustained investments in cleaner and cost-efficient technologies
- Reduce carbon footprint
- Reduce, reuse and recover for resource conservation and sustainable growth
- Conserve natural resources
- Minimise discharge and disposal

ESG RATINGS FOR DEEPAK NITRITE

Responsible care logo holder company since 2012

62 score (Bronze medal)

"B" in Climate Change and Water Security

56/100 score

SUSTAINALYTICS

24.5 (Medium Risk); 117th rank out of 580 companies in the chemicals sector

EMISSIONS AND ENERGY MANAGEMENT

Deepak Nitrite focuses on reducing emissions by implementing energy conservation initiatives and technologies across our plants. We are undertaking a major overhaul in our energy mix to transition 60%-70% of energy consumption to renewable sources in Gujarat and Maharashtra. This shift will significantly lower our carbon emissions, aligning with our sustainability commitments.

Initiatives in FY 2024-25

- Installed Smart Power Optimiser Panel for energy conservation
- Reduced steam norms in products
- Replaced old motors with highly efficient IE3 motors
- Utilised green fuel (Biofuel) in the Boilers & Heaters
- Conducted loading and unloading of products and raw material in a closed loop, with its vent connected to vapour recovery unit (VRU)
- Double mechanical seal in raw material and product transferring pumps to control the fugitive emissions
- Installed solar rooftop for energy conservation

6.2%
Reduction in emission per tonne of production

21,76,266 MJ
Renewable electricity sourced ~ 3.5 times of previous year

WATER MANAGEMENT

Our water efficiency efforts are aimed at reducing freshwater consumption through comprehensive water recovery, reuse and recycling. We are actively striving for water efficient operations, emphasizing the conscious and responsible use of this vital natural resource.

Initiatives in FY 2024-25

Integration of Scalban Technology in Cooling Towers

We have installed Scalban technology in our cooling towers, enabling us to send the R.O. reject streams directly to the cooling tower instead of the MEE. This has reduced our fresh raw water consumption and lowered the operational load on MEE treatment process.

Product Recovery and Reuse

We reuse the product recovered from the stripper top and stripper bottom in the specific production processes, leading to optimal resource use and reduction in our freshwater consumption.

Reverse Osmosis (R.O.) Permeate Reuse

We reuse the permeate from our R.O. system in the cooling tower, directly lowering our dependence on freshwater.

Condensate Recycling

We recycle and reuse the condensate from the Mechanical Vapor Recompression (MVR) and Multiple Effect Evaporator (MEE) systems, along with steam condensate, back into the facility operations.

Conservation of non-processed water

We have reduced non-processed water use by implementing drip irrigation system for our greenbelt development, optimizing tap sizes, and installing dual-flush toilets.

5,000 KL

Water saved through rainwater harvesting

7,44,751 KL

Water recycled

11.21%

Reduction in treated wastewater discharge



CASE STUDY

INNOVATIVELY BOOSTING WATER EFFICIENCY

Background

Freshwater was used in the cooling tower, while the R.O. reject water was sent to the Multiple Effect Evaporator (MEE) for further treatment.

Intervention

We implemented advanced technology that now directly utilizes the R.O. reject water in the cooling tower instead of sending it to the MEE.

Impact

This innovation has significantly reduced the freshwater reliance and lowered the operational load on the MEE system, achieving a significant step in our water efficiency journey.

WASTE MANAGEMENT

We are committed to reducing our waste generation and disposal using innovative measures. Our approach embraces the 4R principles - reduce, reuse, recycle, and recover – effectively transforming waste into valuable resources within a circular economy framework.

Initiatives in FY 2024-25

- We are now using an alternate neutralizing media for primary treatment of wastewater, identified through a meticulous treatability study at our Research and Development Centre. This has led to a significant reduction in sludge volumes.
- We have deployed effective recovery processes to divert waste material from landfilling to recycling.
- We installed volute press to further reduce the waste quantity

22%

Reduction in total waste disposal

CASE STUDY

WASTEWATER REDUCTION IN OPERATIONS

Challenge

Historically, our primary wastewater treatment in operations relied on hydrated lime as a coagulant, leading to the following downstream issues:

- Increased hardness in the treated water
- Production of high sludge volumes
- Choking of the evaporation and filtration units
- Negative impact on overall operational efficiency

Our R&D Based Solution

The extensive research at our R&D centre a superior substitute for wastewater treatment, without compromising on the quality and cost. It also offers several other transformational benefits.

Impact

This resulted in significant advantages in terms of cost, efficiency, and environmental impact:

- 85% reduction in sludge volumes achieved due to lesser consumption
- Lesser sludge production leads to reduced requirements for handling/ storage and movement of waste
- Does not significantly increase hardness of treated water, ultimately enhancing performance of the filtration and evaporation technologies
- Reduced Scope 3 emissions leading to lower carbon footprint

GOVERNANCE

Responsible Governance for a Stronger Future

At Deepak Nitrite, our tenets of good governance are rooted in the principles of fairness, ethics, integrity, transparency and accountability. We are committed to upholding high governance standards as we achieve our organisational objectives and serve the best interests of all our stakeholders.



Material Topics Linked
Growth and Profitability
Corporate Governance
Business Ethics & Compliance
Business Continuity
Human Rights
Product Stewardship
Sustainable Supply Chain
Product Innovation
Digitalisation, IT Security & Data Privacy

Key Risks Linked

- Global Geopolitics and Monetary Risk
- Supply Chain Disruption/Business Interruption Risks
- Information Security and Confidentiality
- Reputational Risk

Key Strategies Linked
Expand Capacities
Enhance Margins
Sustainable Growth

UN SDGs impacted



KEY KPIS AND HIGHLIGHTS

Nil
instances of breach of code in FY 2024-25

Nil
instances of breach of cybersecurity in FY 2024-25

Nil
instances of human rights violations in FY 2024-25

CORPORATE GOVERNANCE STRUCTURE

Board of Directors

Committees of Board

Audit Committee
Nomination & Remuneration Committee
Stakeholders' Relationship and Investors Grievance Committee
Corporate Social Responsibility Committee
Risk Management Committee
Sustainability Committee

BOARD AND ITS COMMITTEES

At Deepak Nitrite Limited, our corporate governance framework is centred around strong oversight, ethical conduct and strategic guidance, led by our Board of Directors and supported by the dedicated Committees.

The Board: Our Highest Governance Authority

The Board's primary responsibility is to oversee and ensure that the Company's business operations are in alignment with its ethics, values and organizational culture. Leveraging their extensive knowledge and corporate expertise, the Board strategically assesses organisations' risk and opportunities within the dynamic business landscape. They provide guidance to the management, fostering decisions that create lasting value for both the organisation and its stakeholders.

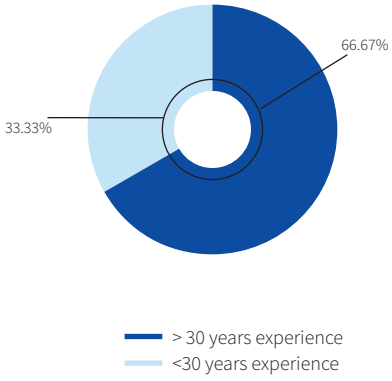
Board Committees: Supporting Effective Oversight

To ensure effective oversight across all business operations, the Board is assisted by various Committees. Each Committee operates under specific terms of reference, with clearly delegated authorities and dedicated roles and responsibilities. These Committees are pivotal in overseeing the execution of business operations, ensuring alignment with the Board's vision and strategic directions.

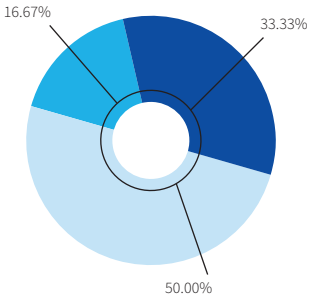
Board Composition in FY 2024-25

As of March 31, 2025, our Board comprises a total of 12 Directors, with an optimal mix of Executive and Non-Executive Directors, including 1 woman Director. Our esteemed Board comprises highly skilled and experienced members, bringing collective knowledge that spans diverse domains, including Business, Finance, Law, IT, HR, Chemicals and Project Management. This breadth of expertise ensures well-rounded strategic decision-making and robust governance.

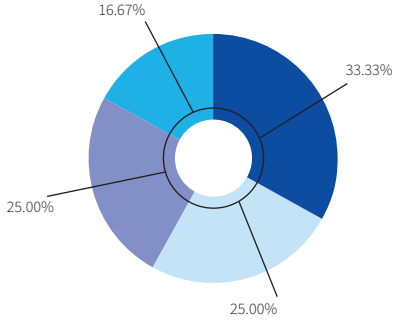
Board's Experience



Board's Age Diversity



Board's Expertise



59 Years

Average age of Directors

34 Years

Average experience of Directors

400+ Years

Cumulative Experience of Board Members

Read more in the Corporate Governance Report

SUSTAINABILITY AND ESG GOVERNANCE

Approach

We have established measurable short-term and long-term sustainability goals to achieve positive long-term impact. We continuously improve our processes and practices by benchmarking them against industry peers and global best practices. Our aim is to significantly contribute to global 2030 Sustainable Development Goals. Our R&D, technical services, and operations are committed to achieving safe and sustainable manufacturing.

Governance and Oversight

The Board guides the Group and the management in conducting the business operations within the ambit of the sustainability principles. The Board thoughtfully weighs the long-term impacts of its decisions on the value creation process. This includes considering the interests of diverse stakeholders, assessing the environmental impact of the Group's operations, while emphasizing ethical business conduct. A robust Risk Management framework, strong Internal Controls and effective governance processes collectively empower the Board to make informed decisions for long-term success and sustainable stakeholder value.

Our Sustainability Vision

- **Zero** harm
- **Zero** waste
- **Zero** discharge

Sustainability Focus Areas

- Health and Safety
- Responsible Sourcing and Supply Chain Sustainability
- Energy and Climate Change Management
- Water and Waste Management
- Regulatory Compliance

OPERATING WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Our Corporate Governance philosophy is built on a strong foundation of ethics and integrity. We prioritise honesty, trust, fairness and accountability in all our stakeholder relationships, fostering continued confidence and loyalty. Our Board upholds the highest governance standards and remains committed to promoting ethical practices. This commitment is underpinned by our comprehensive policies and robust protocols, ensuring responsible and transparent operations.

Policy Commitments

Code of Conduct

We have established a Code of Conduct ('Code') for our Board and Senior Management, in accordance with the Listing Regulations. The Code clearly articulates our expectations for required ethical behaviour and compliance from all members of the Board and the Senior Management. It embodies our organization's core culture and values, rendering strength to our operational framework.

In FY 2024-25, our Directors, and Senior Management have reaffirmed their responsibility for integrating good governance practices into our business in consistence with the provisions of the Code.

https://www.godeepak.com/corporate-governance/#codeofconduct4

Human Rights

We are committed to upholding human rights across our entire business operations. Our human rights policies and commitment extends to all our employees and business partners through human right policies and contractual agreements. We conduct regular training and awareness sessions to promote human rights across our operations. Human rights training also cover our security personnel including the third-party personnel.

Read more in Business Responsibility & Sustainability Report

Anti-Bribery and Anti-Corruption

Our zero-tolerance policy towards corruption and bribery is covered in the Code of Conduct. All our employees and those representing us are required to strictly comply with the policy.

Whistleblower Policy

We have established a formal Whistleblower / Vigil Mechanism under our Whistleblower Policy, enabling all Directors and employees to report any actual or suspected unethical behaviour, misconduct, wrongdoing or breaches of the Code. The policy protects the complainants against victimization and provides direct access to the Chairman of the Audit Committee in specific cases.



BOARD OF DIRECTORS

Visionaries Driving our Success



SHRI DEEPAK C. MEHTA
Chairman & Managing Director

Shri Deepak C. Mehta is a dedicated proponent of fostering India's industrial advancement, aiming to facilitate the growth of businesses and communities concurrently, fostering enduring value and relationships. Half a century ago, equipped with a Science degree from the University of Mumbai, he commenced his professional journey as a second-generation entrepreneur alongside his father, late Shri Chimanlal K. Mehta, delving into the exploration of uncharted domains within chemical intermediates in India. Over time, their efforts have transformed the Deepak Group into a prominent manufacturer of chemical intermediates, boasting cutting-edge facilities that offer a diverse range of more than 34 premium products, catering to over 1,500 customers across 50+ countries worldwide. Shri Mehta's active advocacy on industrial matters in national arenas underscores his commitment to championing best practices and policies that enhance the chemical and petrochemical sector, fostering innovation, collaboration, expansion and manufacturing excellence in India for a global audience.

Having held the position of President at the Indian Chemicals Council (ICC) and contributed as a member of the 'Task Force on Chemicals Industry' established by the Government of India to bolster the competitiveness of the nation's chemical industry, he plays a pivotal role in representing and advancing the burgeoning Indian Chemical Sector. Presently, he serves as the Chairman of the National Chemicals Committee-FICCI.

Shri Deepak Mehta is recently conferred the Indian Chemical Council Lifetime Achievement Award 2024. He received Rasayan Udyog Ratna award by Indian Chemical Society and declared best CEO -Manufacturing Chemical Sector by Fortune India. Indian Institute of Chemical Industries bestowed the Lala Shriram National Award 2024 to Shri Deepak Mehta for Exemplary Leadership in Chemical Industry. Under his leadership Deepak Nitrite Limited received DET Hurun India Manufacturing Excellence Awards 2024.

His actions align closely with his beliefs as he actively supports the Corporate Social Responsibility (CSR) initiatives undertaken by the Deepak Foundation. These initiatives focus on enhancing education, healthcare, skill development and women's empowerment in rural communities spanning four states in India, positively impacting over 8,50,000 beneficiaries.



SHRI MAULIK MEHTA

Executive Director & CEO

Shri Maulik Mehta is a Bachelor of Business Administration from the University of Liverpool, UK.

He holds a Master's degree in Industrial and Organisational Psychology from Columbia University, USA. He recently graduated in Owner/President Management - an executive MBA programme from the prestigious Harvard Business School, sharpening his leadership dexterity and knowledge to bring a fresh breath of global business insights and agility in the Company management.

Shri Maulik Mehta has been at the helm of the organisation as the Executive Director & Chief Executive Officer since June 2020. He took over the charge in an extremely challenging and uncertain environment during the peak of the COVID-19 pandemic, where the priority was to ensure the security and healthcare of the workforce and safeguard the interests of the investors.

Shri Mehta has a dynamic and innovation-driven work acumen, evident in his 17 years hands-on, outcome-driven work ethic across key areas such as business development, patent and product development, human resources, brand equity, external relations, as well as formulating a future-ready Group strategy.

He is an avid ESG champion and under his leadership, the Company has adopted a forward-looking approach that prioritises diversity, equity, inclusion, circularity and sustainability while maximising profits and delivering value to all stakeholders.

His technology-forward approach and global vision have been instrumental in developing executive strategies and initiatives that have significantly improved both the top-line and bottom-line. Shri Mehta's consensus-oriented management has demonstrated excellent leadership in all aspects of the business.



SHRI SANJAY UPADHYAY

Director (Finance) & Group CFO

Shri Sanjay Upadhyay is a qualified Cost Accountant and member of The Institute of Company Secretaries of India. He has completed an Advanced Management Programme from Wharton, USA.

Shri Sanjay Upadhyay has over 40 years experience in the areas of Finance, Treasury, Taxation, Commercial, Secretarial and Corporate Restructuring etc.

He oversees Risk Management, Governance, Investor Relation and IT functions. Apart from these, he also has expertise in growth strategy, acquisitions, restructuring etc.

Shri Sanjay Upadhyay joined the Company in 1994. During the span of his career, he has held important positions in the Company.

He was inducted on the Board as Director (Finance) from April 2017 and was designated as Director (Finance) & Group Chief Financial Officer of the Company from August 2023.

In his role as Group CFO, he is focussed on driving financial performance of the Group through rigour and synergy in capital allocation, investment management decisions, portfolio optimization and Strategic Financial Planning.

Shri Upadhyay is on the Board of several Companies within the Deepak Group and is also part of various Committees of Directors across Deepak Group.



SHRI GIRISH SATARKAR

Executive Director

Shri Girish Satarkar, has done B.Sc. (Tech) and M.Sc. (Tech) in Textile Chemistry from The Institute of Chemical Technology, ICT (formerly UDCT) University of Mumbai. He has also done Masters of Marketing Management (MMM) from Welingkar Institute of Management, University of Mumbai.

He has wide & rich experience of over 36 years in the Chemical Industry including 17 years in the leadership position.

He is proficient in business affairs with hands-on experience of managing operations and having a good understanding about risk management and corporate governance. A widely travelled person with exposure to international & domestic marketing and has been involved in market & product development activities since many years.

He is a Strategist with an eye for identifying new business opportunities. Shri Satarkar is associated with the Company since 2015 and joined as President – FWA. In 2017, he was moved to Basic Intermediates business as President-BI & in August 2023 was elevated to the Board of Directors as Executive Director.

He continues to look after business of Basic Intermediate (BI) and has also been entrusted with the additional responsibility of the Occupier after his elevation to the Board of Directors. Prior to joining the Company, Shri Satarkar was associated with Diamines & Chemicals Limited, a BSE listed company, as the Executive Director & CEO.

He is a neuroscience-based leadership coach from Neuroleadership Institute, USA. He has been bestowed the UAA-ICT Distinguished Alumnus Award 2024 (Professional Category) by the Committee of Institute of Chemical Technology.



SHRI AJAY C. MEHTA

Non-Executive Director

Shri Ajay C. Mehta has a Bachelor's degree in Science from the University of Mumbai and a Master's degree in Chemical Engineering from the University of Texas.

He has over 36 years of experience with chemical, petrochemical, fertiliser, manufacturing and investment companies. He has been actively associated with the Company since 1984 and was the Managing Director of the Company from December 1989 till December 2017.

With extensive experience, a comprehensive approach and industry foresight, Shri Mehta has paved the way for innovation and excellence at Deepak Nitrite Limited. He is presently the Non-Executive Director of the Company, the Chairman of Deepak Oman Industries (SFZ) LLC, Salalah Oman and the Managing Director of Deepak Novochem Technologies Limited.

He is a member of the Executive Committee of Mahratta Chamber of Commerce, Industries and Agriculture various other developmental institutions and social organisations.



SHRI MEGHAV MEHTA

Non-Executive Director

Shri Meghav Mehta is a Mechanical Engineer from the Rochester Institute of Technology (New York, USA) with a specialisation in Material Science Technology and Alternative Energy.

Shri Meghav Mehta has been the Executive Director of Deepak Phenolics Limited ('DPL'), a Wholly Owned Subsidiary of the Company, from May 2, 2019 till May 1, 2024 and continues to be a Non-Executive Director of DPL.

He is an astute strategist and was instrumental in commissioning the Phenol plant including successful implementation of various projects for manufacturing downstream products of Phenol and Acetone. At DPL, he has played a very crucial role including in creating the organisational structure, formulating of policies, setting up internal controls, overseeing the operations and setting up of robust IT infrastructure. He is also at the helm of affairs of digitalisation in the Group. This encompasses all spheres of activities like – procurement, marketing, operations, logistics, quality, hydrocarbon accounting etc.

He is a great advocate of Artificial Intelligence and Machine Learning and constantly working towards engaging these concepts into and any sphere of activities of the Group. Presently, he is the Executive Director & Chief Executive Officer of Deepak Chem Tech Limited, another Wholly Owned Subsidiary and would be looking after execution of all major projects being implemented and to be implemented over the years.



SHRI SANJAY ASHER

Independent Director

Shri Sanjay Asher holds Bachelor's Degree in Law from the university of Bombay and also a qualified Chartered Accountant.

Shri Sanjay Asher is presently a Senior Partner with Crawford Bayley & Co. He has been a practicing Advocate since 1991 and was admitted as a Solicitor in 1993. He has over 35 years of experience in the field of law and corporate matters. Shri Asher specialises in the field of corporate law and commercial law, cross-border mergers and acquisitions, joint ventures, mergers and acquisitions and capitals markets.

He has authored several articles in national and international publications and also a book on Companies Act, 2013. He has been in the past, member on Primary Market Advisory Committee of SEBI and Department of Disinvestment, Government of India.

Shri Sanjay Asher will be completing his second term as Independent Director on June 27, 2025.



SMT. PURVI SHETH
Independent Director

Smt. Purvi Sheth holds a Bachelor of Arts in Economics and Political Science from St. Xavier's College, Mumbai University.

She furthered her education with a CPD in Business Strategy and Leadership Management from Wharton School, USA and is certified as a Board Director by the IICA & Directors Club, Hunt Partners.

Additionally, she is a Certified POSH Practitioner from NDIM and the youngest Certified Leadership Grid Trainer by Blake & Mouton as well as a GE Certified Recruiter. She is CEO of Shilputsi Consultants, India's pioneering and premier Strategic HR consulting firm.

Smt. Sheth is a distinguished leader in human resources and strategic leadership and has spent over 26 years building and maintaining high-level executive relationships, demonstrating outstanding analytical, strategic and problem-solving skills.

She is known for her expertise in resolving diverse HR issues while maintaining cultural sensitivity and adding globally sustainable and best practices to organisations. She is second-generation entrepreneur and consistently driven business growth and leadership excellence.

Smt. Sheth serves as an Independent Directors on several boards of listed and unlisted and she also chairs Nomination & Remuneration Committees and other Committees for many of them.

Smt. Purvi Sheth will be completing her second term as Independent Director on June 27, 2025.



SHRI DILEEP CHOKSI
Independent Director

Shri Dileep Choksi is a Chartered Accountant with a Bachelor's degree in Law and is a member of The Institute of Cost Accountants of India.

Shri Choksi has been a practicing professional for around 47 years. Prior to setting up C. C. Chokshi & Co., he was the joint Managing Partner, National Leader – Tax and Financial Advisory Services of Deloitte, India until 2008.

His areas of specialisation include accounting, tax and corporate advisory services for domestic and international clients, finalising collaborations and joint ventures, corporate restructuring, turnaround and change management strategies and analysing tax impact of various instruments. He is also a member of the Society of Trust & Estate Practitioners Limited (STEP).

He has also been on the Boards of the Taxation Committee of the Indian Merchant Chambers and the Bombay Chamber of Commerce & Industry.

He has worked with Shri N. A. Palkhivala in the preparation of the most prominent book of Kanga and Palkhivala's – The Law and Practice of Income Tax (Eight Edition) – the last edition written by late Shri N. A. Palkhivala and Shri B. A. Palkhivala.



SHRI PUNIT LALBHAI
Independent Director

Shri Punit Lalbhai received his Bachelor's degree in Conservation Biology from the University of California, Davis and Master's degree in Environmental Science from Yale University. He completed an MBA from INSEAD, France.

Shri Lalbhai is the Vice Chairman of Arvind Limited. He is responsible for the Group's Textile, Engineering, Technical Textile and Environmental businesses. He has driven the Arvind's entry and growth in technical textiles and advanced materials, which has become its fastest growing segment. He has also been involved with the growth of Anup Engineering – a capital goods manufacturing company – and that of Arvind Envisol – an upcoming waste-water treatment company.

He also serves as the Chairman of the CII Committee on Technical Textiles and is a governing council of ATIRA.

He has served on several international boards that drive thought leadership in environmental sustainability. He was part of the inaugural board of the Sustainable Apparel Coalition, serves on the board of the Organic Cotton Accelerator and is the current Chairman of the Apparel Impact Institute.

Shri Lalbhai is active in the Ahmedabad Education Society and is on the board of Ahmedabad University and trustee of CEPT University.



SHRI VIPUL SHAH
Independent Director

Shri Vipul Shah is a Bachelor of Science in Chemical Engineering and Master of Science in Polymer Science from the University of Texas, Austin, United States.

He has led various leadership positions across the globe in Dow Chemical International and was the President, CEO and Chairman of Dow India and Chief Operating Officer of Reliance Industries Limited. In Reliance Industries Limited, he had initiated number of strategic initiatives in the petrochemical segment to leverage digital platforms, entering into advanced materials & composites and enabling circular business models to further accelerate segment's growth.

With over four decades of experience in the petrochemical and plastic polymers sector, Shri Shah has spearheaded a number of initiatives and practices to increase sustainability within the industry.

Shri Shah has also served as Chairperson of the Management Committee for the Chlorine Chemistry division of the American Chemistry Council (ACC).



DR. ARVIND NATH AGRAWAL

Independent Director

(w.e.f. June 28, 2025)

Dr. Arvind Nath Agrawal has done B. Sc. Hons. (Maths) from The Indian Institute of Technology, Kharagpur, West Bengal, India. He has completed Postgraduate in Business Administration from The Indian Institute of Management Ahmedabad, Gujarat, India and has also done Ph.D from School of Management, Indian Institute of Technology, Bombay, Maharashtra, India.

He is a Master Certified Coach (MCC) accredited by the International Coach Federation (ICF). He holds the Team Coaching Global Certificate from Team Coaching Global Alliance and Emotional Intelligence EQ-i & EQ 360; Enneagram.

Dr. Agrawal is a Managing Partner of Lead Associates. He is an executive coach and a leadership consultant with over 50 years of corporate experience in senior leadership positions in leading organizations.

He was awarded the National HRD Award in 1992. He served as the National President of the National HRD Network during the years 2000 – 2002 and also received the Lifetime Achievement Award from Business World, HR Excellence Summit and Awards, 2021.

He has co-authored with Prof. TV Rao, "Leaders in the Making – Crucibles of Change- Makers in HR" sharing highlights of the development journey of 30 HR legends and learnings from their lives – published by Penguin Random House in August 2022. He has served as an Independent Director of Zensar Technologies Limited.



MS. BHUMIKA BATRA

Independent Director

(w.e.f. June 28, 2025)

Ms. Bhumika Batra is a qualified Company Secretary and has done Master's in Law. She is a qualified scholar and a member of the Bar Council of Maharashtra and Goa. In addition, she has also done the Executive Program in Management from Cornell University, USA.

She is a Partner of Crawford Bayley & Co., one of the oldest law firms in India, and has a rich experience of 20 years in the regulatory and legal field.

Ms. Batra serves as an Independent Director on the boards of listed entities; Jyothy Labs Limited, Hinduja Global Solutions Limited, Repro India Limited, Sudarshan Chemical Industries Limited.

She is a regular feature writer in India Business Law Journal. She has also contributed to various other writings like Company Law Ready Reckoner, Transfer and Transmission of Shares – A treatise, Asia Business Law Journal, etc. She co-authored the book "Treatise on Company Law" in 2014.



SHRI MAHESH CHHABRIA

Independent Director

(w.e.f. June 28, 2025)

Shri Mahesh Ramchand Chhabria holds a Bachelor of Commerce degree from the University of Mumbai and is an Associate Member of the Institute of Chartered Accountants of India.

He was the Managing Director of Kirloskar Industries Limited up to March 31, 2025.

Apart from the above, in his career spanning over three decades, Shri Mahesh Chhabria has undertaken several leadership roles across private equity and investment banking firms. He was instrumental in driving business strategy & transformation, managing risks, capital allocations, new investments, mergers and acquisitions of Kirloskar Group. His belief in emerging India growth story and corporate India's global aspiration led him to join Actis, a long-standing leading private equity fund as a Partner for Industrial and Healthcare investments. Prior to joining Actis, he was a Partner at 3i, another private equity fund for whom he was a Global Lead Partner for healthcare investing.

Before 3i, he had a long stint of 13 years + at Enam, one of the leading investment banks in India, where he held multiple roles and in the last five years there, he was the Co-head of Investment Banking division.

Shri Mahesh Chhabria is an Independent Director of ZF Commercial Vehicle Control System India Limited and Shoppers Stop Limited.

Management Discussion and Analysis Report

GLOBAL ECONOMIC SCENARIO

The global economy has just emerged from what can only be described as a prolonged stress test. Over the past few years, it has weathered a chain of disruptions, including the pandemic, escalating consequences of climate change, a series of geopolitical shocks, and now, the redrawing of global trade through de-globalization and tariff wars. These events have upended supply chains, stoked inflationary pressures, and pushed governments into emergency mode, deploying extraordinary fiscal and monetary interventions to steady the ship. And while the global economy has weathered each storm, the recovery has been anything but uniform. A few advanced and developed economies are finding their footing but much of the global economy remains stuck in the long shadow of the heightened volatility, highlighting just how uneven resilience can be in an interconnected world.

According to the IMF's World Economic Outlook (April 2025), global growth is projected at 2.8% for 2025, a downward revision from earlier forecasts, reflecting increased policy uncertainty and ongoing trade tensions. For 2026, the IMF forecasts global growth of 3.0%, indicating a lack of significant acceleration from the 2025 projection. This subdued outlook is attributed to lingering effects of high debt levels, weak investment, slow productivity growth, and demographic pressures. While the green transition and technological advancements like AI offer potential upside, their benefits are not expected to be evenly distributed, and many developing countries face challenges in mobilizing finance for necessary investments.

The global economy grew by an estimated 3.2% in 2024, although growth varied widely across regions. The Euro area, in particular, continued to experience subdued economic activity. Entering 2025, the global economy showed signs of strong momentum; however, this is now weakening due to rising protectionism and escalating trade restrictions.

The full implications of the ongoing tariff war will become evident once the reciprocal tariffs announced by the United States take effect in July 2025. These measures are expected to disrupt global trade flows and supply chains, as major exporting nations seek alternative markets – potentially leading to increased dumping. This shift comes at a time when global demand remains muted, and concerns about a potential recession are mounting.

Notably, the U.S.'s proposed 26% tariff on Indian exports is considerably lower than the rates proposed for China (145%), Taiwan (32%), and Vietnam (46%). This differential gives Indian products a relative cost advantage, potentially enabling India to expand its export footprint and partially offset the decline projected by the Global Trade Research Initiative (GTRI).

Monetary policy trends indicate that major central banks will continue easing interest rates, though at varying paces, reflecting differences in economic growth and inflation outlooks. At the same time, fiscal tightening is expected across advanced economies particularly in the United States, while emerging and developing markets are likely to adopt a more gradual approach.

As economies navigate this evolving landscape, the delicate balance between inflation control and growth ambitions will define the trajectory of global recovery. Policy decisions in the coming years will play a crucial role in determining whether the world economy can sustain its resilience amid lingering uncertainties.

Asia:

Asia continues to assert its role as a pivotal driver of global economic growth. In 2025, the region's economy is projected to expand by 4.5%, increasing its share of global economic output to 48.6% when measured by purchasing power parity (PPP). This growth underscores Asia's resilience and its central position in the world economy.

Several economies are expected to experience robust growth including China, India, Vietnam, the Philippines, Mongolia, Cambodia, and Indonesia. This momentum is fuelled by factors such as accelerated digitalization, rising domestic consumption, and strengthening intra-regional trade among others.

Despite facing challenges linked to global trade tensions and evolving U.S. reciprocal tariffs, Asian nations are proactively enhancing regional economic integration. Initiatives like the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) aim to lower trade barriers and improve Asia's economic integration benefits from coordinated policies, trade liberalization, deepening financial cooperation, and

robust infrastructure development. China maintains a dominant position in global value chains, while ASEAN countries have significantly enhanced their roles. India is increasingly integrating into regional value chains, further solidifying Asia's status as a key pillar of global trade.

Overall, Asia's economic trajectory remains positive, bolstered by strong growth in key economies and enhanced regional integration efforts. Nonetheless, vigilance is required to navigate emerging threats and sustain the region's pivotal role in the global economy.

Sources:

- *https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024*
- *https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025*
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- *https://www.reuters.com/world/china-japan-south-korea-will-jointly-respond-us-tariffs-chinese-state-media-says-2025-03-31/*
- *https://asean.org/our-communities/economic-community/integration-with-global-economy/regional-comprehensive-economic-partnership-rcep/*
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- *https://pib.gov.in/PressReleasePage.aspx?PRID=2123826*
- *https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025*

Snapshot of projected global growth trends

Particular	Projections		
	2024A	**2025E**	2026E
World Output	3.3	2.8	3.0
Advanced Economies	1.8	1.4	1.5
United States	2.8	1.8	1.7
Eurozone	0.9	0.8	1.2
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Other Advanced Economies	2.2	1.8	2.0
Emerging Market and Developing Economies	4.3	3.7	3.9
China	5.0	4.0	4.0
India	6.5	6.2	6.3

IMF Report – April 2025



INDIAN ECONOMIC SCENARIO

India's economic growth remains resilient despite global uncertainties. The International Monetary Fund (IMF) projects India's GDP to grow at 6.2% in 2025 and 6.3% in 2026 as per latest forecasts released in April 2025, making it the fastest-growing major economy. This growth is underpinned by strong private consumption, robust exports, and macroeconomic stability. However, external headwinds such as geopolitical tensions, trade disruptions, reciprocal tariffs and a sluggish global recovery could impact exports and industrial performance, forcing India to leverage its domestic strengths to sustain momentum.

Decoding the GDP Growth

The moderation in India's GDP growth in FY 2024-25, was primarily due to slower capital expenditure and weaker exports. Exports were hampered by supply chain disruptions, particularly in the Red Sea region, while industrial growth was weighed down by contractions in mining and electricity.

Despite these challenges, rural consumption remained robust, supported by strong monsoons, higher agricultural growth, and increased sales of consumer goods. The services sector continued to be a key growth driver.

Budget 2025: Outlook & Impact

On February 1, 2025, Hon'ble Finance Minister Nirmala Sitharaman presented her eighth budget, introducing tax cuts for the middle class to boost consumption.

The Union Budget 2025-26 emphasizes infrastructure development, digital transformation and rural upliftment – key pillars supporting India's ambition to become a $5 trillion economy. With the fiscal deficit maintained within a manageable range, the Government has fiscal space to increase spending and sustain economic momentum. Notably, manufacturing exports – especially in high-value-added segments such as electronics and semiconductors – have shown resilience, highlighting India's rising integration into global value chains. However, inflation continues to pose a significant challenge to macroeconomic stability.

While the budget offers short-term stimulus, India's long-term trajectory hinges on structural reforms, ease of doing business, and financial inclusion.

Capital Market Resilience & Fiscal Stability

India's capital markets have remained resilient amid global volatility, driven by the rising participation of domestic institutional investors (DIIs). This shift has reduced reliance on foreign capital flows, making the markets less vulnerable to external shocks and boosting investor confidence in long-term stability.

Stable capital markets are essential for channelling savings into productive investments, and India's increasingly robust financial ecosystem provides a strong foundation for sustained economic growth. This resilience reflects the strength of India's demographic dividend and expanding middle class, which are not only powering consumption and employment but also anchoring the country's financial market stability.

On the fiscal front, the fiscal deficit is projected to be 4.8% of GDP for FY 2024-25, lower than the initial target of 5.1% envisaged at the start of the year. The reduction is based on factors such as reduced capital expenditure and higher-than-anticipated dividends from the central bank and also factors an increase in government spending in the latter half of the fiscal year, which could support economic activity.

Risks & Near-Term Outlook

Inflation remains a concern, prompting the RBI to maintain its policy rate for the eleventh consecutive review. Core inflation is inching upwards, which could impact consumer spending if left unchecked. Additionally, evolving global trade policies and protectionist measures in developed markets may pose risks to India's export outlook.

However, India's long-term growth story remains intact, supported by structural reforms, macroeconomic stability, and a rising middle class. With FDI inflows increasing and a strategic push toward manufacturing and digital transformation, India is set to retain its position as the world's fastest-growing major economy. The IMF's projection of 6.2% growth in 2025 reinforces confidence in the country's economic trajectory.

Despite short-term volatility, India's strong economic fundamentals continue to position it as a pivotal force in the global growth story. To sustain this momentum, expanding access to long-term finance – particularly by deepening capital markets – will be critical in reinforcing investor confidence and strengthening the overall investment climate.

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INDUSTRY OUTLOOK AND TRENDS

The global chemical industry is staging a strong recovery from prolonged volatility, with production growth now outpacing 2023 levels. Market momentum remains robust – according to Research & Markets, the global chemicals market is expected to grow from $5.61 trillion in 2024 to $6.15 trillion in 2025, and further to $8.58 trillion by 2029, reflecting a healthy compound annual growth rate (CAGR) of 8.6%.

With demand strengthening across key end-use sectors and the inventory destocking cycle normalizing, industry players are prioritizing cost optimization, decarbonization, product portfolio diversification, and innovation. These strategic shifts are positioning companies to sustain growth and enhance resilience in an evolving global landscape.

Since the COVID-19 pandemic, the chemical industry has navigated significant market fluctuations. The strong pent-up demand and inventory buildup of 2021-22 was followed by declining revenues and shrinking margins in 2023, with operating margins hitting their lowest levels since the recession during FY 2007 to FY 2009. These challenges forced cost-optimization programs, post which margins have started to recover, signalling a gradual industry turnaround.

Looking ahead, growth will be influenced by macroeconomic uncertainties, regulatory shifts, evolving customer demands, and technological advancements.

Several trends that will shape the industry's trajectory in the near term:

- **Digital Transformation:** AI and predictive analytics will enhance operational efficiency, reduce waste, and accelerate the development of sustainable, high-performance products.
- **Geopolitical & Supply Chain Shifts:** Ongoing trade tensions, reciprocal tariffs and shifting global alliances are driving companies to reconfigure supply chains, investing in regional production hubs and localized sourcing to enhance resilience.
- **Asia-Pacific's Leadership:** The Asia-Pacific region will continue to dominate global chemical production, with companies balancing competitive pricing and product quality to maintain market share.
- **Rise of Speciality Chemicals:** High-margin speciality chemicals will gain prominence, especially in semiconductors, automotive, green energy as well as new-age sectors.
- **Sustainability & Innovation:** Investments in low-carbon technologies, circular economy initiatives, and renewable feedstocks will accelerate R&D and product development.

The chemical industry enters the new year with cautious optimism. However, this optimism can be tempered by several disruptive forces reshaping the industry. From green energy and AI-driven manufacturing to supply chain volatility, companies must adapt swiftly to stay ahead.



Emerging Disruptions & Opportunities

- **Green Energy & Sustainability**

  Green energy is set to transform chemical production as companies shift toward renewable energy sources such as solar, wind, and bioenergy to reduce carbon emissions and comply with stricter environmental regulations. By minimizing reliance on fossil fuels, chemical manufacturers can lower greenhouse gas emissions and cut long-term operational costs. Additionally, the growth of bio-based chemicals and renewable feedstocks will create sustainable alternatives to traditional petrochemicals. While infrastructure and technology investments will be necessary, they will offer long-term competitive advantages and market differentiation.

- **AI-Driven Efficiency & Innovation**

  AI will play a critical role in improving efficiency, enhancing decision-making, and accelerating innovation across the chemical sector. Machine learning and real-time data analytics will optimize production processes, reduce waste, and lower operational costs. AI-driven simulations and modeling will enable faster discovery of new materials and formulations, expediting R&D efforts and time-to-market for new products. Moreover, AI will improve supply chain resilience by enhancing demand forecasting, inventory management, and logistics optimization, making the industry more agile, sustainable, and cost-efficient.

To thrive in 2025 and beyond, chemical companies must embrace sustainability, digital transformation, and supply chain agility. Those that invest in innovation and resilience today will define the industry's future

- **Macroeconomic & Geopolitical Disruptions**

  The chemical industry faces several potential disruptions due to geopolitical instability, energy price volatility, and regulatory shifts. Trade restrictions, conflicts, and tariffs could impact raw material sourcing, leading to higher costs and supply chain delays. Fluctuations in global energy markets will affect chemical production costs, particularly for energy-intensive processes.

  Additionally, stricter environmental regulations will drive mandatory investments in green technologies, carbon capture, and sustainable manufacturing practices. Climate change and extreme weather events could further disrupt production facilities and logistics, adding operational unpredictability. As customer demands shift toward sustainability and high-performance materials, chemical companies must adapt quickly to remain resilient, competitive, and innovative.

Navigating the Future

To thrive in 2025 and beyond, chemical companies must embrace sustainability, digital transformation, and supply chain agility. Those that invest in innovation and resilience today will define the industry's future.

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INDIAN CHEMICAL INDUSTRY

The Indian chemical industry plays a pivotal role in the nation's economy, ranking 6th globally and 3rd in Asia in chemical production. As a highly diversified sector offering over 80,000 commercial products, it supports a wide range of downstream industries including agriculture, textiles, automotive, and pharmaceuticals. The industry's robust domestic base, strong global presence, and comprehensive product portfolio – spanning bulk chemicals, agrochemicals, speciality chemicals, polymers, petrochemicals, and fertilizers – position it for sustained growth. Driven by rising demand from end-use sectors like packaging, automotive, and healthcare, and further supported by favorable government policies, infrastructure upgrades, and access to cost-competitive skilled labor, the industry is projected to reach $300 billion by 2025 and scale up to $1 trillion by 2040. This expansion is underpinned by increasing domestic demand, strategic Government initiatives (like PLI schemes, PCPIRs, etc.) and substantial foreign direct investment (FDI) among others.

Market Dynamics and Growth Drivers

The expansion is fuelled by increasing demand from key end-use industries such as packaging, automotive, pharmaceuticals, and more. According to a McKinsey report, the industry is projected to grow at 11–12% annually from 2021 to 2027, and 7–10% from 2027 to 2040. If sustained, this growth could enable India to triple its global market share by 2040. Supportive Government policies, improved infrastructure, and access to skilled, cost-effective labor are further strengthening India's position as a global hub for chemical manufacturing.

Speciality chemicals, agrochemicals, and petrochemicals are emerging as key growth engines of the global chemical industry, with projected CAGRs of 11.5%, 8.3%, and 11% respectively through 2027. This growth underscores a clear shift toward high-value, application-specific solutions tailored to diverse industrial needs.

Speciality chemicals, which account for approximately 20% of the global chemical market, are particularly dynamic. In India, this segment is expected to grow at a robust CAGR of 12%, reaching $64 billion by 2025 – driven by rising demand, strong export potential, and increasing integration into global value chains.

According to McKinsey report, the industry is projected to grow at 11–12% annually from 2021 to 2027, and 7–10% from 2027 to 2040.

Investment and Policy Initiatives

The Indian Government has been proactive in fostering the chemical industry's growth through various initiatives. The Petroleum, Chemicals, and Petrochemicals Investment Regions (PCPIRs) are expected to attract investments worth $420 billion, underscoring the sector's robust potential. Additionally, the establishment of seven Central Institutes of Petrochemicals Engineering & Technology (CIPET) and the Institute of Pesticide Formulation Technology (IPFT) aims to drive skill development, ensuring a competent workforce to support the industry's expansion.

The Government is also contemplating the introduction of a production-linked incentive (PLI), Employee linked Incentive (ELI) scheme for the chemical and petrochemical industry to boost domestic manufacturing and exports.

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STRATEGIC EMPHASIS: MINIMIZING DEPENDENCY ON IMPORTED CHEMICALS

India's chemical industry, despite its strong domestic manufacturing base, remains heavily reliant on imports for several key raw materials and intermediates. This dependency increases vulnerability to global supply chain disruptions, geopolitical risks, and price volatility. In response, the Government and industry players are intensifying efforts to reduce import dependence and strengthen self-sufficiency in chemical production.

Key Challenges of Import Dependency

- **Raw Material Shortages & Price Volatility:** A significant portion of India's chemical imports includes petrochemical feedstocks, speciality chemicals, and intermediates essential for industries like pharmaceuticals, agrochemicals, and electronics. Any global supply chain disruption such as the recent Red Sea crisis or geopolitical tensions directly impacts domestic manufacturers by causing supply shortages and cost escalations.

- **Trade Deficit & Supply Chain Vulnerabilities:** India's import bill for chemicals and petrochemicals remains substantial. In FY2024, the country imported chemicals worth over $50 billion, a figure that has been steadily rising. High reliance on Chinese and European suppliers for speciality chemicals and intermediates further exposes India to trade-related uncertainties.

- **Environmental & Energy Security Concerns:** Many imported chemicals, particularly petrochemical derivatives, are energy-intensive and contribute to carbon emissions. Reducing dependence on fossil fuel-based chemical imports aligns with India's long-term sustainability and energy security goals.

Government Interventions & Policy Initiatives

To tackle these challenges, the Indian Government has introduced several measures to promote domestic production and minimize dependency on imports:

Encouraging Alternative Feedstocks:

- Hon'ble Union Minister Shri J.P. Nadda has emphasized the need for diversification of feedstock sources, including biomass, plastic waste recycling, and green hydrogen

- Research and pilot projects are being encouraged to explore bio-based alternatives for petrochemicals

Tariff Rationalization & Import Duty Adjustments:

- The Government is reviewing import tariffs on several chemical products, part of a broader reassessment. Some of these where Anti Dumping Duty has been imposed include PEDA, acetonitrile, vitamin-A palmitate, insoluble sulphur, and potassium tertiary butoxide among others — aimed at boosting domestic manufacturing and reducing import dependency

- In early 2025, India removed import duties on essential materials required for EV batteries and electronic components, aiming to support local production and downstream industries

*[**Source:** https://www.fibre2fashion.com/news/textile-news/india-imposes-anti-dumping-duty-on-six-chemicals-from-china-303519-newsdetails.html]*

Boosting Domestic Manufacturing Through Incentives:

- The Government is considering a new Production – Linked Incentive (PLI) scheme for the chemicals sector. Modelled after successful PLI initiatives in the electronics and pharmaceuticals industries, this scheme aims to strengthen domestic manufacturing capabilities and reduce reliance on imports



- A long-term vision for the chemicals and petrochemicals sector has been outlined under the Vision 2034 initiative. This roadmap focuses on enhancing local production, minimizing imports, and attracting significant investments. Plans include implementing PLI incentives of 10–20% for the agrochemical segment, with an emphasis on developing integrated manufacturing ecosystems through cluster-based growth

- The Petroleum, Chemicals, and Petrochemicals Investment Region (PCPIR) policy aims to attract $420 billion in investments. This initiative is designed to establish self-reliant, globally competitive chemical manufacturing clusters, promoting large-scale infrastructure and industrial development

Developing Indigenous Chemical Infrastructure:

- Expansion of Petrochemical Complexes: New petrochemical hubs are being set up in key locations like Paradip, Dahej, and Jamnagar to enhance domestic production of high-value chemicals and intermediates

- Investments in Research & Development (R&D): Government-backed research institutes such as the Central Institutes of Petrochemicals Engineering & Technology (CIPET) are promoting indigenous chemical innovation

Strategic Focus on Speciality Chemicals & Green Chemistry:

- Speciality chemicals, has witnessed strong growth. The Government is incentivizing domestic players to produce speciality and performance chemicals that were previously imported

- Circular economy initiatives are being pushed to develop bio-based and recycled chemical alternatives, reducing reliance on imported petrochemicals

Industry-Led Initiatives to Reduce Import Dependency

Apart from Government interventions, leading chemical companies in India are taking proactive steps:

Backward Integration Strategies:

- Major Indian chemical companies are expanding their in-house production of key intermediates

- India's backward integration strategies focus on reducing import dependence by boosting domestic production of key chemical intermediates

- Government support through PLI schemes and infrastructure development encourages upstream investment

Localization of High-Demand Intermediates:

- India has traditionally imported a significant share of its pharma intermediates (APIs), agrochemical precursors, and speciality coatings. Many Chemicals companies are setting up plants to produce these chemicals domestically

Sustainable & Green Chemical Development:

- Bio-based chemical manufacturing is gaining traction, with firms exploring ethanol-based derivatives, green hydrogen applications, and waste-to-chemicals technologies to reduce reliance on imported petrochemicals

- Investments in carbon capture and utilization (CCU) technologies are expected to improve self-sufficiency while aligning with global sustainability goals

The Road Ahead: Building a Resilient Domestic Chemical Supply Chain

With strong Government support and private sector initiatives, India is well-positioned to reduce its dependency on imported chemicals in the coming years. The key to achieving this will be:

- Accelerating domestic petrochemical infrastructure expansion

- Strengthening incentives for speciality and performance chemicals

- Promoting waste-to-chemical and bio-feedstock adoption

- Enhancing trade policies to balance local manufacturing growth with necessary imports

By focusing on these strategic priorities, India can bolster its domestic chemical ecosystem, mitigate risks from external supply shocks, and establish itself as a global leader in sustainable and self-sufficient chemical manufacturing.

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STRUCTURAL GROWTH DRIVERS FOR INDIA

India's chemical industry is undergoing a significant transformation, fuelled by rising domestic consumption, strategic policy support, and evolving global supply chain dynamics. As a backbone of industrial growth, the sector is deeply integrated with several key industries – including agriculture (fertilizers and agrochemicals), pharmaceuticals (APIs and intermediates), automotive (polymers, coatings, and lubricants), textiles (dyes and processing chemicals), construction (adhesives, paints, and sealants), and electronics (speciality gases and semiconductors). This wide-ranging influence has led to substantial value creation – measured not only by the industry's expanding market size, but also by gains in manufacturing capacity, export performance, employment, and foreign direct investment.

Looking ahead, with continued investment, rising demand, and supportive Government initiatives such as the Production Linked Incentive (PLI) scheme and infrastructure expansion, the industry is projected to grow to $300 billion by 2028. This growth underscores India's emerging position as a global hub for speciality chemicals, green alternatives, and custom manufacturing, poised to meet both domestic and international demand at scale.

Several key factors that are driving sustained growth:

1. Expanding Domestic Consumption

India's chemical industry is a critical enabler of key sectors such as agriculture, pharmaceuticals, automotive, electronics, and construction. Driven by rapid urbanization and a growing industrial base, domestic demand for chemicals is accelerating across these industries. Currently, 70% of India's chemical output is consumed within the country, reflecting the sector's strong integration with the national economy.

India ranks as the world's second-largest manufacturer of dyes, third-largest consumer of polymers, and fourth-largest producer of agrochemicals. By 2040, domestic chemical demand is expected to reach $850 – $1,000 billion, with India projected to contribute 20% of incremental global chemical consumption. This surge will unlock unparalleled opportunities for investment, capacity expansion, and global leadership in the sector.

Looking ahead, with continued investment, rising demand, and supportive Government initiatives such as the Production Linked Incentive (PLI) scheme and infrastructure expansion, the industry is projected to grow to $300 billion by 2028.

2. Sustainability-Driven Consumer Behavior

Consumer preferences are rapidly shifting towards eco-friendly, sustainable, and socially responsible products, reshaping demand patterns in the chemical industry. Increasing regulatory pressures and awareness about environmental impact are driving the demand for green chemicals, biodegradable materials, and non-toxic formulations. India, being a leading producer of speciality chemicals essential for sustainable products, is well-positioned to capitalize on this trend. Companies are actively investing in green chemistry, bio-based chemicals, and circular economy models to cater to both domestic and global sustainability requirements, ensuring long-term competitiveness in an evolving market.

3. Geopolitically-Driven Supply Chain Realignment

With disruptions in global trade and increasing geopolitical tensions, manufacturers are actively seeking alternative markets to strengthen supply chains. India's cost competitiveness, regulatory framework, and manufacturing capabilities make it a preferred destination, positioning the country as a trusted global partner in chemical production and exports.

4. Strong Policy Support and Government Incentives

The Indian Government has implemented transformative policies to boost the chemical industry's growth, including

- Remission of Duties and Taxes on Exported Products (RoDTEP) – Enhancing export competitiveness
- Petroleum, Chemicals & Petrochemical Investment Region (PCPIRs) – Creating dedicated hubs for large-scale investments
- Plastic Parks Initiative – Supporting the growth of sustainable and value-added plastic manufacturing

These initiatives are accelerating investments, enhancing domestic production, and reducing import dependency, further strengthening the industry's global positioning.

5. Competitive Advantages in the Global Market

India's low manufacturing costs, skilled workforce, and abundant natural resources, combined with its commitment to sustainability across the supply chain, provide a distinct edge in the global chemicals value chain. As sustainability compliance becomes a key differentiator worldwide, India's early adoption of green chemistry and circular economy practices enhances its attractiveness as a manufacturing hub.

With these structural growth drivers in place, India's chemical industry is set to become a global powerhouse, offering immense opportunities for investment, innovation, and long-term economic growth.

Sources:

- *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india*

As industries worldwide shift towards sustainability and high-value speciality chemicals, India is well-positioned to lead with its diverse portfolio, operational excellence, and increasing R&D investments.

DOMESTIC INDUSTRY OUTLOOK: INDIA'S CHEMICAL SECTOR – A GLOBAL POWERHOUSE

India's chemical sector has rapidly emerged as a global leader, exporting to over 175 countries and cementing its status as a trusted manufacturing hub. With exports surpassing $20 billion, the industry plays a pivotal role in global supply chains, serving key markets like China, the US, Brazil, the Netherlands, and Saudi Arabia among others.

As industries worldwide shift towards sustainability and high-value speciality chemicals, India is well-positioned to lead with its diverse portfolio, operational excellence, and increasing R&D investments.

Speciality Chemicals: The Next Growth Engine

Speciality chemicals have become the fastest-growing segment of India's chemical industry, driven by strong demand across sectors such as electronics, automotive, construction, aerospace, food, and pharmaceuticals. This segment currently accounts for 47% of India's domestic chemical market and is projected to grow at a CAGR of nearly 11% over the next five years. ***(Source:*** *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india**)***

A key driver of this growth is the agrochemicals sub-segment, which is already a $5.5 billion market and is expected to contribute ~40% of India's overall chemical exports by 2040. With the rising need for advanced crop protection solutions and sustainable farming practices, agrochemicals are becoming a cornerstone of India's export strategy. ***(Source:*** *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india* ***)***

Recognizing this potential, global chemical giants such as Lubrizol, Celanese, and Nouryon have invested in technical and global capability centers in India, along with greenfield manufacturing plants. These investments reinforce India's position as a key hub for speciality chemical innovation and production, further solidifying its competitive edge in the global market.

India's Rising Competitiveness in Global Chemical Exports

India's chemical industry is deeply integrated with its manufacturing ecosystem, supplying essential inputs to agriculture, textiles, food & beverages, rubber, and petroleum refining. The sector's economic significance is reflected in its 9.2% share of the Gross Value Added (GVA) in the manufacturing sector for FY 2021-22, growing at a CAGR of 8.3% from FY 2016-17 to FY 2021-22.

With over two million people employed, the industry contributes 6% to India's total exports, shipping a wide range of products including inorganic and organic chemicals, dyes, agrochemicals, plastics, and synthetic rubber. Between April 2000 and March 2024, the sector (excluding fertilizers) attracted $22.14 billion in FDI inflows, and future investments are projected to reach ₹ 8 Lakh Crores by 2025. ***(Source:*** *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india* ***)***

The global shift toward sustainable and eco-friendly chemical solutions presents India with a unique growth opportunity. As demand increases for high-performance, customized, and green chemicals, India's strength in speciality formulations and environmentally friendly alternatives gives it a distinct competitive edge in international markets.

Sustainability & R&D: The Future of Indian Chemicals

India's chemical sector is at the forefront of sustainable innovation, with companies aggressively investing in research & development (R&D), clean technology, and decarbonization. Leading petrochemical firms have allocated significant CAPEX towards R&D infrastructure, with ₹ 600 Crores invested in FY 2021-22 alone. ***(Source:*** *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india**)***. This commitment to innovation is enabling the industry to develop next-generation chemical solutions that align with global sustainability goals.

India has positioned itself as a trusted global supplier of dyes, agrochemicals, basic chemicals, cosmetics, and speciality formulations. The chemical industry is also playing a crucial role in India's commitment to achieving net-zero emissions by 2070. With regulatory reforms, infrastructure enhancements, and a strategic push towards green technology, the country is creating a robust foundation for climate-conscious chemical manufacturing.

Sources:

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BUDGET 2025: IMPACT ON THE INDIAN CHEMICAL SECTOR

Addressing key issues through policy interventions, investment incentives, and infrastructure development is critical for unlocking the industry's full potential. Budget 2025 introduced broad economic reforms that will indirectly benefit the chemical sector by boosting manufacturing, infrastructure, reducing customs duties on lab inputs, and allocating ₹ 20,000 Crores to promote private-sector innovation. The Government also plans to extend PLI schemes with R&D-linked incentives, streamline patent benefits, and invest in green chemical hubs, all aimed at shifting the sector toward high-value, innovation-driven growth.

Key Policy Announcements Impacting the Chemical Sector

1. Strengthening Agrochemicals Demand through initiatives like Prime Minister Dhan-Dhaanya Krishi Yojana, Mission for Atmanirbharta in Pulses, National Mission on High Yielding Seeds, and a five-year mission for cotton farming sustainability.
2. Boosting Infrastructure and Manufacturing with the Indian Government's strategic focus on industrial and infrastructure development is reflected in major initiatives such as the National Manufacturing Mission, the ₹10 Lakh Crores Asset Monetization Plan (spanning FY 2025 to FY 2030), and a comprehensive three-year Public-Private Partnership (PPP) infrastructure pipeline. These programs aim to unlock value from existing public assets, attract private investment, and accelerate the growth of core sectors including roads, railways, ports, and urban development. As large-scale construction and manufacturing projects gain momentum, demand for construction chemicals – essential for durability, efficiency, and sustainability – is expected to rise sharply. This creates a significant growth opportunity for industry players aligned with India's infrastructure-led development agenda.
3. Advancing Research & Development through ₹ 20,000 Crores private-sector-driven R&D and innovation initiative, Deep Tech Fund of Funds, etc. This will support chemical industry advancements, particularly in speciality and green chemicals.
4. Promoting Green Energy & Sustainability with investments across solar PV cells, EV batteries, electrolyzers, and wind turbines. The revamped Bilateral Investment Treaties (BITs) intend to boost investment by fostering a more favourable climate for domestic chemical manufacturers and attracting international collaborations
5. Supporting MSMEs and Workforce Development through Export Promotion Mission, establishment of National Centres of Excellence for Skilling and promotion of Global Capability Centres (GCCs) in Tier-2 cities. This will also improve resource availability and operational efficiencies for chemical companies.

While Budget 2025 does not offer direct sector-specific incentives, its broader policy initiatives are poised to indirectly benefit the chemical industry. By driving consumption-led manufacturing, agricultural expansion, R&D investments, and export-oriented growth, these reforms will strengthen demand, innovation, and global competitiveness for Indian chemical manufacturers.

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PERFORMANCE OF YOUR COMPANY

The Group maintained a stable performance in FY 2024-25, underscoring its evolution as a leading force in India's chemical manufacturing landscape. With a heritage spanning over five decades, Deepak Nitrite Limited ('DNL' or 'the Company') has consistently advanced its capabilities across basic, fine, and performance chemicals, serving critical sectors such as dyes and pigments, agrochemicals, pharmaceuticals, and petrochemical derivatives among others. Amid a volatile global environment, the Company continued to demonstrate resilience and strategic foresight, reinforcing its position as a dependable partner across global value chains.

FY 2024-25 unfolded against a complex backdrop marked by geopolitical uncertainties, energy cost volatility, and continued disruptions in global supply chains. Yet, it also presented opportunities, as the China+1 strategy gained traction, leading global giants to diversify sourcing to alternative regions including India. DNL's strong execution track record, manufacturing expertise, deep customer relationships, and commitment to value-added chemistry positioned it to capitalize on this shift. At the same time, the Company remained alert to external pressures, including raw material cost swings and tightening environmental norms, responding with proactive sourcing diversification, operational optimization, and enhanced customer focus.

Operationally, FY 2024-25 posed significant challenges, marked by inflationary cost pressures, tightening margins, and subdued demand in certain agrochemicals – driven by prolonged destocking and dumping from China. Additionally, global crop prices, particularly for wheat, corn, and soybean, witnessed a sharp decline, largely due to record-high wheat exports from Russia and increased grain shipments from Ukraine. However, Deepak's agile operations, consistent plant utilization, and emphasis on process efficiencies allowed it to maintain reliability and deliver on customer expectations. Strategic investments in process improvements, cost control measures, and supply chain agility supported margin stability and ensured continuity in dynamic market conditions.

In FY 2024-25, several critical projects like Nitric Acid (both CNA and WNA) are nearing completion & will be ready for commercial production in Q2 FY 2025-26, large hydrogenation facility is also approaching commercial production in Q2 FY 2025-26; other critical projects like MIBK-MIBC, Nitration and Hydrogenation are also nearing completion and are expected to be commissioned in H2 FY 2025-26. Once operational, this will mark a significant step in Deepak's backward and forward integration strategy, enabling resilient business and deeper penetration into value-added applications across pharmaceuticals, coatings, and speciality chemicals. The project reflects the Company's commitment to deepening its product mix and increasing the share of speciality and higher-margin offerings.

On the innovation front, DNL made substantial investments in Research and Development, reaffirming its commitment to both technological advancement and sustainability. The Company is set to inaugurate the state-of-the-art R&D Center in Savli, Vadodara, designed to focus on green chemistry, process optimization, and the development of cutting-edge products. This new center will play a pivotal role in DNL's drive to stay ahead of industry trends while fostering a culture of sustainability across its operations.

Progress was also made on the global front. Facility in Oman, set up for the production of sodium nitrite and sodium nitrate, is advancing well and remains on track. This venture is expected to enhance DNL's access to international markets, particularly in the Middle East, and is aligned with its broader objective of building a global footprint in critical products.

Strategic partnerships further bolstered DNL's growth trajectory in FY 2024-25. Notably, new products were added to be supplied to large agrochemicals globally. Additionally, DNL entered into long-term power purchase agreement for supply of renewable energy, a blend of wind and solar power a crucial step toward meeting the global demand for environmentally responsible chemical solutions. This would reduce use of power generated by conventional source and would cater to about 60%-70% of the Company's power needs. This is a leap step towards the Company's sustainability and responsibility drive and also bolster the country's goal of carbon neutrality. On the supply front, Deepak secured its Propylene and Hydrogen supply by executing a definitive long-term offtake agreement with Petronet LNG Limited to work as raw material security for the Phenol II project which is already announced. These are apart from various backward and forward integration projects already under commissioning / ensuing commercial production stage.

Despite external pressures, DNL's business segments delivered a steady performance. The Phenolics business emerged as a key growth contributor, driven by strong demand, capacity optimization, and improved plant utilization. The Advanced Intermediates segment also gained momentum, supported by volume uptick, improved customer engagement, and focused expansion initiatives. Several key product categories achieved high production and sales volumes during the year, with increased market share and expanded presence across diverse applications including construction, homecare, textiles, and pigments among others.

During FY 2024-25, Deepak delivered a stable performance. Consolidated revenues reached ₹ 8,282 Crores, with Domestic Revenues at ₹ 6,923 Crores and Exports contributing ₹ 1,359 Crores. The Domestic to Export mix of FY 2024-25 stood at 84:16, on a consolidated basis,. Consolidated EBITDA stood at ₹ 1,176 Crores with margins of 14%, while Profit Before Tax and Profit After Tax were at ₹ 953 Crores and ₹ 697 Crores, respectively.

DPL, the Company's Wholly Owned Subsidiary, delivered Robust Revenue of over ₹ 5,805 Crores, higher by 16%. This came

in despite facing pricing headwinds. Performance remained steady on the back of strong demand for Phenol, Acetone, and IPA, supported by efficiency gains and continued operational improvement. The downstream expansion initiatives progressed well during the year, reinforcing DPL's industry leadership and supporting its ambition for scale and differentiation.

Strong operating cash flows have enabled Deepak to maintain a resilient financial position, with gross debt of ₹ 1,170 Crores and a modest net debt of ₹ 256 Crores as of March 31, 2025. Backed by ₹ 900 Crores in cash and liquid investments, Deepak maintains low leverage, strong interest coverage, and solid credit ratings. Its judicious deployment of surplus funds into liquid instruments supports ongoing operations and future growth initiatives, reflecting a disciplined capital management approach that reinforces Deepak's commitment to long-term value creation and financial stability.

DNL declared a dividend of 375%, i.e., ₹ 7.50 per share for FY 2024-25, reflecting its commitment to sustained value creation for all stakeholders

Looking forward, Deepak is well-positioned to continue its growth trajectory. It is strategically focused on capitalizing opportunities in the high-value & downstream products, expanding its geographical footprint, and advancing sustainable practices. The continued growth of its international business, investment in innovation, and commitment to sustainability will be key pillars in Deepak's long-term strategy.

As DNL enters FY 2025-26, it remains committed to enhancing shareholder value, fostering innovation, and pursuing operational excellence. With a robust financial foundation and a clear focus on expansion and sustainability, DNL is poised to lead the domestic chemical industry into the future, solidifying its position as a global leader.

DNL operates across a diverse range of segments, each contributing to its robust growth and market leadership in the chemical industry. These segments include:

1. Advanced Intermediates (AI)

DNL's Advanced Intermediates (AI) segment demonstrated resilience amid a challenging external environment, delivering volume growth despite sectoral headwinds. The Company remains the domestic market leader in Sodium Nitrite and Nitro Toluenes underscoring its strong positioning in key intermediate chemistries. While demand from agrochemical-linked applications was subdued due to global muted trend caused by various factors like destocking, climate condition, recessive trends in various economies in larger countries, unsteady socio-political environment caused by various conflicts amongst countries; however, steady offtake from end-use industries such as textiles, dyes and pigments, infrastructure, construction, and homecare helped cushion the impact and sustain overall volume momentum.

The year was marked by volatile input costs, particularly for petrochemical-linked raw materials, owing to varying refinery throughput levels and geopolitical factors including war-linked premiums on crude, pricing pressure due to dumping from China and demand issues for select agrochemicals. Despite these headwinds, your Company adopted a proactive pricing strategy and recalibrated its product mix to protect margins.

The Company's diversified product portfolio – including Sodium Nitrite, Sodium Nitrate, Nitro Toluenes, Xylidines and other value-added intermediates serve a wide array of end-user industries, namely:

- Paints, Pharma, Health care, Colorants, Rubber Chemicals, Explosives, Dyes, Pigments, Food Colors - to name some
- Pharmaceuticals, Refineries, Agrochemicals, Glass, Personal Care
- Paper, Detergents, Textiles

This wide applicability, combined with backward integration and strong manufacturing capabilities, enables Deepak Nitrite to serve global and domestic clients with agility, consistency, and high quality.

The Company continued to deepen its global footprint by expanding its customer base and increasing wallet share across both established and high-potential international markets. Deepak Nitrite ranks among the top three global manufacturers of Xylidines, Cumidines, and Oximes – reinforcing its leadership. Despite heightened competitive intensity, the Company sustained or grew its market share in several regions, enabled by enduring customer relationships, a strong service track record, and a reputation for reliable, high-quality supply.

With assured access to key raw materials, the AI segment remains partly insulated from external supply chain risks. The Company's strategic investments in automation, debottlenecking, and sustainability-led improvements further bolstered production efficiency and reliability.

In FY 2024-25, segment revenue came in at ₹ 2,527 Crores and EBIT stood at ₹ 176 Crores, maintaining a stable margin profile despite persistent external pressures.

Looking ahead, Deepak is poised to elevate its growth trajectory through a combination of brownfield and greenfield expansions through its Wholly Owned Subsidiary (Deepak Chem Tech Limited). These projects will deepen integration, increase manufacturing capacity, and enable Deepak to tap into emerging demand in both traditional

and evolving applications. The shift of global supply chains towards India presents a long-term opportunity, and the AI segment is well-aligned to capture this momentum through innovation, import substitution, and strategic partnerships.

2. Phenolics

Deepak Phenolics Limited (DPL), Wholly Owned Subsidiary of Deepak Nitrite Limited, continues to be a cornerstone of the Company's growth and diversification strategy. In a year shaped by global pricing volatility and supply chain disruptions, DPL demonstrated resilient performance, underpinned by strong domestic demand, enduring customer relationships, and agile operations. Despite headwinds from global oversupply and higher input costs, impacting margins, the business maintained steady profitability driven by improved plant efficiencies and an increasing share of downstream, value-added products. For FY 2024-25, DPL recorded Revenue of ₹ 5,805 Crores up 16%, EBIT of ₹ 783 Crores, and an EBIT margin of 13%, reflecting its ability to navigate challenges while sustaining operational and financial strength.

DPL's products continue to serve diverse industries, including:

- Laminates, Construction Materials, Automotive, Homecare
- Pharmaceuticals, Agrochemicals, Paints & Coatings, Textiles
- Personal Care, Adhesives, Disinfectants

Given India's growth story, full throttle all-round economic activities resulting in the country to be fourth-largest economy in the world, growth in infrastructure, consumer durables, and health & hygiene segments continues to drive demand for Phenolics and their derivatives, presenting long-term growth potential.

In FY 2024-25, DPL demonstrated strong operational resilience, maintaining high asset utilization across its core product lines – Phenol, Acetone, and Isopropyl Alcohol (IPA) – supported by robust domestic demand. With a commanding 50% market share in India for Phenol and Acetone, the Company continues to lead in scale and reliability. Productivity was further enhanced through targeted debottlenecking initiatives and the installation of critical equipment to increase plant throughput.

DPL reinforced its sustainability agenda by initiating the use of biofuels, significantly reducing coal dependence and aligning operations with India's broader net-zero aspirations. As part of a strategic pivot toward high-margin, value-added products, DPL is deepening its presence in downstream segments to capture greater value and mitigate exposure to cyclical commodity pricing.

Since the commissioning of its integrated Phenol and Acetone manufacturing facility at Dahej, Gujarat, in 2018, DPL has been instrumental in reducing India's dependence on imports of critical petrochemicals. Anchored by world-class infrastructure and backward-forward integration, DPL is building long-term value by scaling operations and moving decisively up the value chain. DPL's strategic vision is to gradually transition towards producing value-added downstream products through its fellow subsidiary (Deepak Chem Tech Limited), necessitating the internal consumption of its existing product portfolio of Phenol and Acetone.

User Industries under the segment:

- Laminates and Plywood
- Adhesives, Resins, brake fluids for Auto segment
- Paints, Pharmaceuticals (API) segment as a solvent
- Pharmaceutical formulation – Indian Pharmacopoeia certified Solvents for formulations
- Speciality Chemicals – Agrochemicals end use (herbicides and pesticides), detergent and anti-oxidant end use (alkyl Phenols)

Notable initiatives include the near-completion of the Methyl Isobutyl Ketone (MIBK) project, expected to commence operations in FY 2025-26 under Deepak Chem Tech Limited, and the industry-first acetophenone recovery initiative, also scheduled for commissioning in FY 2025-26.

DPL has also embarked on a unique, waste-to-wealth initiative to recover high-value Acetophenone from a low-value by-product stream. This project is expected to be operational by Q4 FY 2026.

Together, these efforts strengthen Deepak's ability to transition towards a more speciality-focused portfolio, enhancing growth, profitability, and long-term sustainability.

As part of its long-term growth strategy, Deepak is set to double its Phenol capacity and expand its range of speciality derivatives, ensuring greater control across the value chain and a stronger competitive position. These initiatives align with national priorities such as Atmanirbhar Bharat, while positioning the business to serve as a reliable partner to global supply chains.

By combining scale, integration, innovation, and sustainability, Deepak is not only enhancing its financial performance but also driving its vision of delivering long-term, inclusive, and resilient growth.

The year witnessed general levels of economic distress in the global chemical industry and severe contraction in operating margins due to capacity build up in China and general economic slowdown in large consuming centers like China and the EU zone. In addition, domestic margins were severely

squeezed due to disproportionate supply push into Indian market by Asian producers. Despite such headwinds, DPL recorded a milestone revenue of over ₹ 5,800 Crores in FY 2024-25 while EBIT witnessed a healthy increase of 22% to ₹ 783 Crores. EBIT margins remained stable at around 13%. This was primarily attributed to higher volumes in Phenolics, combined with gains from operating leverage and process optimization.

During the year, DPL implemented several high impact initiatives to enhance productivity and operational efficiency and to reduce specific energy consumption. The Phenol plant recorded an average utilization rate of over 165% during the year. Cumene and IPA also achieved an average utilization rate of 172% and 134% respectively. The overall specific energy consumption reduced by 5% compared to FY 2023-24.

3. Deepak Chem Tech Limited

Deepak Chem Tech Limited (DCTL), a Wholly Owned Subsidiary of Deepak Nitrite Limited, continued to make significant progress in FY 2024-25, reinforcing its role as a key player in the advanced chemicals sector. DCTL, focuses on manufacturing high-value chemical intermediates. The Company has made remarkable strides in expansion, with key milestones that underscore its strategic direction and commitment to innovation.

A key highlight for FY 2024-25 was the successful operationalization of DCTL's fluorination plant at Dahej, Gujarat, which began in March 2024. This state-of-the-art facility produces Benzo Trifluoride (BTF), a critical intermediate widely used in the chemicals and petrochemicals industries. The commissioning of this plant is a testament to DCTL's ability to meet the growing demand for specialized chemical intermediates, marking a significant step in strengthening India's chemical manufacturing capabilities. The establishment of this plant also aligns with DCTL's strategic aim to cater to high-value, high-demand applications.



Looking forward, DCTL is well-positioned for future growth with a strong pipeline of new projects and a clear focus on expanding its production capabilities for high-value, downstream products. Deepak is poised to play a pivotal role in strengthening Deepak Group's long-term growth strategy, contributing significantly to the broader vision of becoming a leader in India's chemical manufacturing landscape.

Strategic Projects and Outlook

Looking ahead to FY 2025-26, the DCTL's focus will shift to completing construction, commissioning key plants, and ramping up production. Major milestones anticipated include commissioning of the Nitric Acid plant at Nandesari, MIBK/MIBC and Hydrogenation; Nitration project at Dahej.

Project execution is progressing well, with engineering and procurement activities nearing completion across all major streams. The Nitric Acid plant has already been constructed, while the Hydrogenation and Nitration units are at an advanced stage of development. Construction of the MIBK and MIBC plants is also in the final stretch, with mechanical and electrical works moving swiftly toward completion. These units are slated for phased commissioning starting FY 2025-26. Together, they form a key pillar of Deepak's integrated growth strategy – ensuring backward and forward integration, securing critical feedstocks, strengthening supply chain efficiency, and enabling the production of high-value, differentiated products across performance chemicals, pharmaceuticals, and coatings.

This robust and diverse talent pool will be instrumental in driving the company toward full-scale operations.

Investment Update: Deepak Chem Tech Limited

Deepak Chem Tech Limited (DCTL), a Wholly Owned Subsidiary of Deepak Nitrite Limited, has unveiled an ambitious ₹ 8,500 Crores capital investment plan to set up a world-class integrated chemical manufacturing complex. This facility will focus on the production of Cumene – Phenol- Acetone (Phenol II), Polycarbonate resins and its downstream compounds – key intermediates used in a wide range of industries including automotive, electronics, construction, semi-conductor, consumer goods, defence and medical device applications . India's entire current requirement of Polycarbonate Resins and its compounds are being imported into the country. Hence, these projects are a critical step toward enhancing India's domestic manufacturing capacity and reducing reliance on imports for essential

Looking ahead to FY 2025-26, the company's focus will shift to completing construction, commissioning key plants, and ramping up production.

chemicals. As mentioned above, DPL has already signed a definitive agreement for procuring propylene to support Phenol II operations, the entire facility prescribes a high degree of cohesive integration. These projects give tremendous opportunity to grow and build a resilient business model with forward and backward integration.

As part of this strategic initiative, DCTL has signed a definitive agreement to acquire the Polycarbonate assets of Trinseo from its Stade facility in Germany. The acquisition also includes advanced process technology as well as access to the CALIBRE™ trademark for Polycarbonate resins. This move significantly strengthens DCTL's technological capabilities and global market positioning, enabling it to enter the high-performance polymers space with a strong foundation.

Leveraging this acquisition, DCTL plans to establish a greenfield Polycarbonate manufacturing plant with a capacity of 1,65,000 metric tonnes per annum (MTPA) at its Dahej site in Gujarat. The facility will integrate seamlessly with upstream and downstream operations, allowing for greater operational efficiency and cost optimization. This will also make India self-reliant in Polycarbonate production to a large extent, which is currently heavily dependent on imports.

The integrated complex will contribute meaningfully to India's "Atmanirbhar Bharat" (self-reliant India) and "Viksit Bharat" (developed India) visions by enabling the domestic production of advanced materials that are critical to multiple value chains.

Beyond industrial capabilities, the investment is expected to have a significant socio-economic impact. The complex will generate thousands of direct and indirect employment opportunities, foster skills development, and catalyze ancillary industries in the region. With all key polymer projects targeted for commissioning by FY 2027-28, this initiative marks a pivotal milestone in Deepak Chem Tech's journey to becoming a leading global player in the speciality chemicals and advanced materials space.

BUILDING THE FUTURE – STRATEGIC CAPITAL INVESTMENTS

Deepak is embarking on a transformative journey, underpinned by strategic capital investments exceeding ₹ 10,000 Crores through FY 2027-28. These investments reflect Deepak's long-term commitment to value creation through innovation, integration, and sustainability, while advancing India's self-reliance in critical chemistries.

This bold CAPEX roadmap is central to Deepak's aspiration to evolve into a future-ready, globally competitive chemical leader with a strong presence across the value chain.

Transformational CAPEX Initiatives

- **Greenfield Polycarbonate Resins Facility (Dahej):** In a landmark step, Deepak Chem Tech Limited (DCTL) received Board approval in November 2024 for India's first large-scale Polycarbonate resins plant. Powered by technology from Trinseo, Germany, this facility will significantly reduce import dependence in critical engineering polymer segment. Operations are slated to begin by FY 2027-28, with commercial contributions expected from FY 2028-29.

- **New Capacity of Phenol, Acetone & IPA:** Approved in April 2025, this new integrated complex will expand capacities of Phenol, Acetone and Isopropyl Alcohol. The project will enhance downstream integration, boost economies of scale, and strengthen Deepak's leadership in key building block chemicals.

- **Entry into Speciality Fluoro Chemicals:** Marking its diversification into complex chemistries, Deepak is investing in high-value fluoro compounds used in pharmaceuticals, agrochemicals, and electronics. This venture positions the Company in high-growth, high-barrier segments.

- **Projects in Nitric Acid, Nitration & Hydrogenation:** These strategically vital projects, currently in advanced development, will deepen vertical integration, improve cost structures, and enable production of advanced intermediates. Commissioning is expected next year.

- **MIBK/MIBC & Acetophenone Projects:** Engineering and procurement are complete for these downstream Phenol derivative units, expected to go live in FY 2025-26. The Acetophenone plant targets the global flavors and fragrances market, enhancing value from Phenol chain integration.

Enhancing Supply Chain Resilience

- **Long-Term Feedstock Agreement with Petronet LNG:** A 15-year agreement ensures uninterrupted supply of 250 KTPA of propylene and 11 KTPA of hydrogen to Dahej via pipeline – delivering both cost and environmental efficiencies.

- **Polycarbonate compounding seeding Programs:** Launched in November 2023, these programs focus on product performance validation and early customer

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engagement to ensure market readiness upon plant commissioning.

- **Project Updates – Photohalogenation & Acid Units:** Photohalogenation facility will cater to high-value derivatives. The Acid Unit is set to commence by FY 2025-26.

- **R&D and Innovation Engine:** A new state-of-the-art R&D Center in Vadodara, backed by an investment of ~₹ 100 Crores. It will drive innovation in sustainable processes and next-gen chemistries enabling Deepak to compete on global technology benchmarks.

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Strategic Pillars for Sustainable Growth

- **Backward Integration:** Securing feedstock and improving cost stability through pipeline connectivity and in-house sourcing.

- **Import Substitution:** Reducing India's dependency on chemical imports by scaling indigenous capabilities in key sectors.

- **Portfolio Diversification:** Expanding into high-value, niche segments to unlock new growth vectors and elevate margins.

- **Sustainability at the Core:** All new facilities are designed with world-class energy efficiency, environmental responsibility, and minimal waste generation – aligning with global ESG frameworks.

- **Global Market Alignment:** Strengthening export readiness and international competitiveness through capacity augmentation and quality assurance.

DNL's capital investment strategy goes beyond capacity expansion, it represents a generational transformation. By reinforcing integration, driving innovation, and focusing on high-value products, the Company is transitioning to a world – class manufacturer of high quality compounds.

While near-term investments imply elevated capital deployment, they are laying a strong foundation for sustained, diversified, and profitable growth. Backed by a clear strategic vision and executional strength, Deepak is poised to emerge as a global chemical powerhouse delivering long-term value to stakeholders and contributing meaningfully to India's industrial progress.

DIGITAL TRANSFORMATION

Deepak also accelerated its digital transformation with the successful implementation of SAP S/4HANA and also other applications encompassing, Transport management, Customer Relationship management, Laboratory management, Weigh bridge management etc. The ERP, along with sharp applications brings in real-time data visibility, improved decision-making, and enhanced supply chain efficiency.

Further, Deepak is into Analytics and AI-based applications for bringing in high level viewability of operations and sharper predictability of future decision.

GEOGRAPHICAL PERFORMANCE

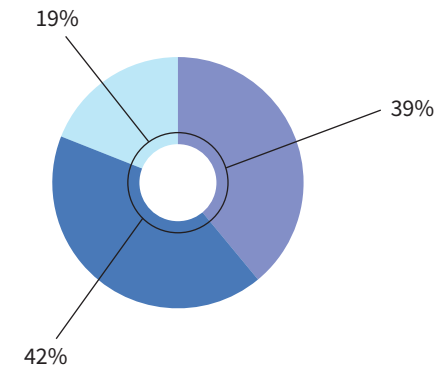
In FY 2024-25, DNL demonstrated a well-balanced geographical performance, driven by sustained domestic strength and strategic international expansion. On a standalone basis, Export Revenue decreased to 45% of Total Revenues. The Domestic-to-Export Revenue split stood at 55:45.

Domestically, DNL retained its leadership through high-capacity utilization, cost-efficient operations, and strong customer relationships. The Advanced Intermediates segment was a major contributor, supported by robust demand in sectors like Colours, Rubber, Glass, Pharma, Renewable Energy, Dye, Pigments etc. Strategic locations such as Vadodara and Dahej provided competitive advantages in terms of logistics and operational agility.

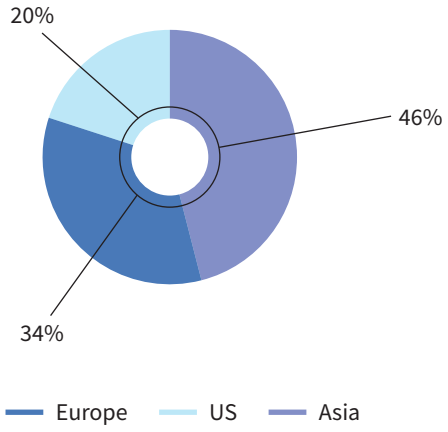
Export performance benefited from proactive customer engagement and increasing share from Asian markets. While Europe's contribution declined amid elevated energy costs in the Eurozone, the region remained a strategically important export market. DNL's ability to align production and supply strategies with evolving global needs enabled it to maintain export momentum despite a volatile international environment.

DPL continues to be predominantly focused on the domestic market. In FY 2024-25, DPL generated Revenues of ₹ 5,805 Crores, with a Domestic-to-Export mix of 96:04. With consistently high utilization levels for Phenol, Acetone, and IPA, the business benefited from demand in laminates, construction, and automotive sectors. Export volumes remained modest but stable.

FY 2023-24

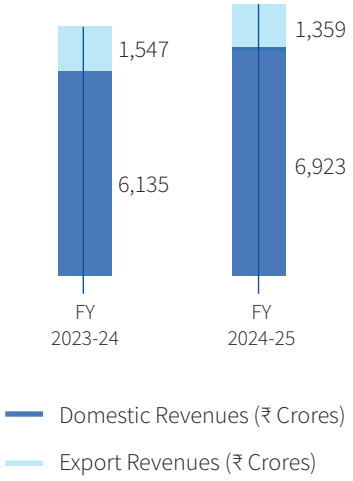


FY 2024-25



Consolidated revenues, combining DNL and its subsidiaries stood at approximately ₹ 8,282 Crores, with Domestic Revenues contributing ₹ 6,923 Crores and Exports at ₹ 1,359 Crores. The consolidated revenue mix remained stable at 84:16, indicating consistent domestic traction across key user industries such as agrochemicals, pharmaceuticals, and performance materials.

Overall, DNL's strategic approach built on cost leadership, integrated supply chains, and a diversified product mix continues to support its strong positioning in both domestic and international markets. The Company is well poised to tap emerging opportunities by deepening customer relationships and enhancing production efficiencies across geographies.



SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS (STANDALONE)

Key Financial Ratios	FY 2024-25	FY 2023-24	Change (%)	Reason
Debtors Turnover Ratio (x)	4.12	4.50	-8%	No major variance.
Inventory Turnover Ratio (x)	3.93	4.17	-6%	No major variance.
Current Ratio (x)	3.29	4.99	-34%	Decrease in cash & cash equivalents as compared to last year. Profits generated from business has been deployed in projects during the current year.
Debt Equity Ratio (x)	0.01	0.00	-	The Company remains debt free on net basis.
Interest Coverage Ratio (x)	407	529	-24%	Decrease in profitability as compared to previous year due to headwinds in Agrochemical business and steep Chinese competition in the Company's business segment.
Return on Net Worth (%)	8.84	14.67	-583 bps	
Operating Profit Margin (%) (EBIT)	12.76	16.87	-411 bps	
Net Profit Margin (%) (PAT)	10.94	15.91	-497 bps	

(x) represents number of times.

SOLID, RESILIENT BUSINESS MODEL

Deepak Group businesses and products are highly integrated, creating a robust value chain.

The Advanced Intermediates business also showcases a strong integration driven by its foundational chemistry and subsequent downstream applications. The product suite of this segment primarily builds upon core processes like nitration, hydrogenation, diazotization, and sulphonation. Starting with basic chemicals like sodium nitrite and sodium nitrate, for which Deepak Nitrite is a leading global producer, the Company then leverages these to create a wide array of fine and specialty chemicals, which are crucial building blocks for various high-growth industries such as agrochemicals, pharmaceuticals, dyes and pigments, and personal care. The control over value chain extends to backward integration into key raw materials to ensure supply stability and forward integration by developing new chemistries, such as fluorination and photo chlorination, and producing value-added derivatives that cater to specific customer requirements and new market demands. This comprehensive approach minimizes external dependencies, enhances cost efficiencies, and allows Deepak Nitrite to offer a diversified and specialized product portfolio, solidifying its position as a 'supplier of choice' for global customers.

This integration is also built / being further built in its phenolics segment, where it starts with basic petrochemical derivatives like benzene and propylene to produce cumene and phenol and acetone. These crucial intermediates then serve as building blocks for further value-added products. For instance, acetone is captively consumed to manufacture IPA, while both phenol and acetone are going to be used for manufacture of polycarbonate (PC) resins; and Deepak has also ventured into PC compounding which are essentially downstream products of PC resins, allowing them to capture more value across the entire phenol chain. In addition, acetone is also consumed into manufacturing MIBK and MIBC, the facilities of which will be commissioned soon under DCTL (Deepak Chem Tech Limited). This backward and forward integration, from raw materials to specialized end-products like polycarbonates and their compounds, strengthens the Company's competitive position by ensuring stable raw material supply, enhancing margins, and catering to diverse industries such as pharmaceuticals, agrochemicals, plastics, and automotive.

DCTL, a Wholly Owned Subsidiary of Deepak Nitrite, is strategically integrated to drive the group's foray into high-growth, specialized chemical segments, particularly high-performance polymers. Its integration is centred around leveraging Deepak Group's existing strengths in phenol and acetone production to move further downstream into the value chain. The upcoming Nitrite Acid facility will also be used to manufacture various existing and upcoming products around nitration chemistry.

SWOT ANALYSIS

Strengths

1. **Strong Manufacturing set up with focus on Backward Integration:**

   Deepak operates multiple state-of-the-art manufacturing facilities across India with focus on backward integration, manufacturing some of its own raw materials which leads to cost efficiencies and better supply chain control.

2. **Diverse Product Portfolio:**

   Deepak has a well-diversified product portfolio across Advanced Intermediates and Phenolics, catering to industries such as dyes & pigments, agrochemicals, pharmaceuticals, plastics, textiles,



laminates, paper, home & personal care, and petro derivatives. This broad reach mitigates risks associated with product obsolescence and ensures a steady revenue stream. By leveraging its expertise in complex chemistries, the Group continuously enhances its offerings to meet evolving market demands.

3. **Global Reach and Strong Partnerships:**

With our products being supplied to customers spread over 50 countries across six continents, including key markets like the United States, Europe, China, and India, Deepak enjoys a strong international presence. Its deep-rooted customer relationships and 'Depend on Deepak' initiative position it as a preferred supplier, enabling the Company to capitalize on growing global demand.

4. **Optimized Supply Chain and Operations:**

Deepak has demonstrated agility in fulfilling delivery commitments, ensuring consistent and reliable performance. Its expertise in managing large-scale logistics, optimizing supply chains, and leveraging technology enhances service quality, reduces costs, and strengthens competitiveness.

5. **Commitment to Sustainability & ESG Compliance:**

Sustainability is deeply ingrained in the Group's strategic vision and operational approach. As a Responsible Care company, Deepak is committed to environmentally responsible manufacturing, resource efficiency, and strong ESG compliance. These efforts not only support long-term value creation but also align with global and national sustainability priorities. A key focus is the transition to clean energy, with initiatives underway to adopt renewable sources, improve energy efficiency, and implement sustainable practices across operations. Deepak aims to meet 60–70% of DNL's energy requirements through renewables – advancing its goal of significantly reducing its carbon footprint while contributing to India's broader emission reduction targets.

6. **Innovation and R&D Excellence:**

Innovation through R&D lies at the heart of the Group's long-term vision. Deepak is focused on advancing sustainable chemistry, optimizing processes, and unlocking value through by-product utilization – delivering tangible gains in efficiency, cost reduction, and product differentiation. These initiatives are supported by strong execution capabilities and a deliberate shift toward becoming a research-driven organization. As a key enabler, the Group is setting up a state-of-the-art R&D Centre near Vadodara, designed to accelerate innovation and technology development. Backed by a team of more than 100 highly skilled scientists, R&D is deeply integrated into the Group's strategy, fueling its transformation and future growth.

7. **Cost Leadership & Market Competitiveness:**

Through economies of scale, process innovation, and operational efficiency, Deepak has established a strong cost leadership position across its product portfolio. Key initiatives – such as by-product valorization and the implementation of Advanced Process Controls – have significantly improved yields and reduced production costs. These measures not only strengthen profitability but also empower Deepak to offer competitive pricing to customers while preserving healthy margins.

8. **Guiding Leadership with Strategic Vision:**

Led by industry veterans with deep expertise and market insights, the Group follows a well-defined growth strategy. The leadership team upholds high ethical standards, responsible care policies, and a strong focus on R&D. Their commitment to innovation and customer relationships continues to drive the Group's success.

Weaknesses

1. **Partial Dependency on Traditional Fuels Challenging Sustainability:**

As chemical processes become increasingly complex, ensuring reliable energy availability is critical. In 2022, Deepak commissioned a 29 MW captive power plant at Dahej to strengthen energy self-sufficiency. However, it continues to depend on conventional fuels such as coal and furnace oil, which pose sustainability concerns. To address this, the Group is actively enhancing energy efficiency and exploring greener alternatives – such as utilizing ETP sludge biomass in boilers and progressing toward hybrid energy solutions combining solar and wind power – in alignment with its ESG commitments.

2. **Input Cost Volatility & Supply Chain Risks:**

Deepak operates in an environment of fluctuating raw material costs, geopolitical uncertainties, and supply chain disruptions. Factors such as logistics expenses, labour costs, natural disasters, and global economic trends can impact margins. To counter this, the Group has implemented a benchmark-based pricing strategy with focus on forging long-term arrangements with customers. It also regularly assesses market scenarios to mitigate risks.

Opportunities

1. **Favorable Government Policies & Incentives:**

India's 'Make in India' and 'Atmanirbhar Bharat' initiatives, along with Production-Linked Incentive (PLI) schemes, are accelerating domestic manufacturing. These policies streamline regulations, offer financial support, and attract foreign partnerships, creating strong tailwinds for Deepak's expansion plans.

2. **Expanding Export Market & China+1 Shift:**

Global chemical leaders are diversifying their supply chains beyond China, opening up significant export opportunities for Indian chemical manufacturers. With its established production capabilities and competitive advantages, the Group is well-positioned to capture a larger global market share.

3. **Leveraging Strong Relationships and Technical Expertise:**

   Deepak's long-standing relationships with major customers in India and globally, coupled with its robust technical skills in areas like nitration, hydrogenation, and oxidation among others, provide a strong foundation for capturing new opportunities and expanding its product offerings.

4. **Growing Demand for Import Substitution:**

   Deepak has a proven track record of targeting import-dependent products, starting from Sodium Nitrite to Phenolics. Import substitution remains a core strategic focus, helping the Group reduce India's reliance on foreign chemicals. Additionally, its expansion into Phenol derivatives offers significant downstream growth opportunities, in a market currently dependent on imports. This will also give forward & backward integration possibilities.

Threats

1. **Exposure to Domestic Market Fluctuations:**

   Despite its global presence, a significant portion of the Group's Revenue (over 50%) comes from India, making it vulnerable to domestic demand-supply fluctuations across sectors. While diversification across industries mitigates risk, a slowdown in domestic consumption could impact earnings.

2. **Geopolitical Uncertainties & Trade Risks:**

   Global events such as the Russia-Ukraine conflict, shifting trade policies, tariff disputes, and regulatory changes continue to disrupt supply chains and escalate input costs. Compounding these challenges are price pressures and the dumping of low-cost products from China, which undermine market stability and intensify competitive pressures. The Group actively monitors these external developments and adapts its sourcing and operational strategies accordingly. However, such macroeconomic and geopolitical factors, often beyond the Company's control, remain significant risks to cost structures and supply chain resilience.

3. **Technological Disruption & Product Obsolescence:**

   The rapid evolution of chemical manufacturing technologies means existing products could face obsolescence due to more advanced, efficient alternatives. To stay ahead, Deepak must continuously invest in R&D and innovation.

4. **Shortage of Skilled Manpower:**

   The chemical industry requires specialized talent, but India faces a shortage of experienced professionals. The Group addresses this through employee training, skill development, and best-practice adoption, though talent acquisition remains a long-term industry challenge. To support workforce development, the Indian Government has introduced schemes like the Employment Linked Incentive (ELI), which incentivizes job creation, and the National Apprenticeship Promotion Scheme (NAPS), which provides financial support to companies engaging apprentices.

RISK MANAGEMENT

Deepak operates in a complex and fast-changing global chemical environment, where exposure to diverse risks ranging from supply chain uncertainties to market volatility is inherent. To effectively manage these challenges, it has put in place a robust Risk Management framework that supports operational resilience, financial stability, and sustainable growth.

This framework is governed by a comprehensive Risk Management Policy and is actively overseen by the Board's Risk Management Committee, which regularly assesses key risk areas and ensures strategic readiness to address them.



Risk oversight is seamlessly integrated into daily operations. A strong Internal Audit function conducts focused, risk-based evaluations across business verticals, enabling early detection of vulnerabilities and prompt corrective action. These efforts are supported by clear processes, sound governance practices, and periodic reviews that strengthen the overall control environment.

To mitigate material risks such as fluctuations in raw material costs, commodity cycles, and currency movements, Deepak adopts prudent sourcing strategies, effective hedging practices, and flexible planning models.

Furthermore, recognizing that people are central to its long-term success, Deepak places significant emphasis on leadership development and succession planning, ensuring continuity and agility in a changing business landscape.

Through this disciplined and forward-looking approach to risk and control, Deepak continues to reinforce its capacity to manage uncertainty, protect stakeholder interests, and maintain operational excellence across all facets of the business.

INTERNAL CONTROL FRAMEWORK

DNL has instituted a well-defined Corporate Governance framework to ensure accountability, transparency, and operational integrity. Management operates within a disciplined structure, adhering strictly to established financial policies, accounting standards, and internal systems.

A robust Risk Management Framework, coupled with structured Planning and Review processes, forms the backbone of the Company's internal financial control environment. These frameworks are underpinned by accounting policies carefully selected by the management, approved by the Audit Committee and the Board, and regularly reviewed to ensure continued relevance and compliance.

Key management personnel continuously monitor and evaluate the effectiveness of internal controls, standard operating procedures (SOPs), and related governance mechanisms. These are further subjected to independent assessments by the Internal Audit team. Audit findings and improvement recommendations are presented to the Audit Committee, which oversees their timely and effective implementation.

The Internal Financial Controls governing the preparation and presentation of financial statements are assessed throughout the year, with a specific focus on high-risk and critical areas. Based on a comprehensive evaluation conducted by senior management, no reportable material weaknesses or significant deficiencies were observed during the year under review.

DNL remains committed to maintaining a strong internal control environment through regular audits, proactive risk management, and continuous process enhancements.

HUMAN RESOURCE DEVELOPMENT

Our people are the driving force behind the Company's sustained performance and future aspirations. As of March 31, 2025, the Company employed 1,757 permanent professionals whose skills, dedication, and agility continue to power our growth momentum.

Our Human Resource strategy is built on the pillars of relevance, consistency, and fairness, with a sharp focus on building capabilities, fostering leadership, and creating a culture of ownership. Targeted initiatives across business functions have led to significant improvements in employee engagement, productivity, and retention.

Human Resources remains a strategic enabler, closely aligned with the Company's long-term vision of contributing meaningfully to the Indian chemical industry and delivering stakeholder value. We believe that attracting, developing, and retaining high-caliber talent is essential for driving innovation and scaling future-ready operations.

To strengthen our ability to retain and reward key talent, the Company introduced an Employee Stock Option Plan (ESOP), which has received shareholder approval. The plan is performance-linked, with stock options to be granted based on clearly defined Key Result Areas (KRAs), as evaluated by the Nomination and Remuneration Committee. This initiative is expected to play a vital role in reinforcing leadership depth and securing top talent as we undertake large-scale, capital-intensive projects.

MANAGEMENT OUTLOOK

Turning Challenges into Opportunities: Building a Future-Ready Deepak Nitrite

As we advance into the new year, DNL stands at a transformative juncture, poised to harness the evolving global and domestic chemical landscape. With a steadfast commitment to innovation, integration, and sustainability, we are accelerating our journey toward becoming a technology-driven, customer-centric leader in the chemical industry. FY 2024-25 was not just a year of growth, it was a year of strategic consolidation and bold progression, underpinned by our robust manufacturing backbone, diversified portfolio, and unwavering focus on value creation.

Our outlook reflects confidence in navigating near-term macroeconomic volatility while capitalizing on long-term structural opportunities, such as 'Make in India for the World' initiative, shifting global supply chains, and rising demand for speciality chemicals.

Vision: Powered by Resilience and Ambition

Our strategic blueprint was designed to reinforce DNL's position as a trusted global partner while driving sustainable, profitable growth. We are guided by three core imperatives:

- **Value Chain Integration:** Expanding backward and forward to secure feedstock, enhance product differentiation, and deliver higher-margin solutions.
- **Technology as a Catalyst:** Leveraging AI, digitalization, and advanced chemistries to optimize operations, accelerate innovation, and future-proof our business.
- **Sustainability as a Cornerstone:** Embedding Environmental, Social, and Governance (ESG) principles into every facet of our operations to build resilience and stakeholder trust.

With a disciplined approach to capital allocation and a project pipeline totalling over ₹ 2,000 Crores slated for commissioning in the near term, we are aligning our growth ambitions with India's self-reliance goals and the global shift toward diversified supply chains.

Advanced Intermediates (AI) – Chemistry That Powers Progress

The Advanced Intermediates segment remains a cornerstone of our growth story, delivering stable performance amid a mixed demand landscape.

- **Market Dynamics:** While agrochemicals face slower recovery, sectors like textiles, infrastructure, dyes and homecare exhibit strong momentum. Our agility in capturing export opportunities along with catering to the domestic market has driven a significant increase in international market share, with exports accounting for a substantial portion of sales.
- **Operational Highlights:** Record production and sales of key intermediates like sodium nitrate and nitrite reflect our focus on cost leadership, process optimization, and large-scale capabilities. Brownfield expansions completed in FY 2023-24 have boosted capacities, positioning us to meet rising demand.
- **Way Forward:** We continue to deepen backward integration to mitigate raw material volatility, introduce new high-value intermediates, and strengthen our leadership in niche applications for pharmaceuticals and agrochemicals.

Our over five-decade expertise in chemical processes, coupled with R&D investments, ensures we stay ahead of the industry and deliver competitive, sustainable solutions.

Deepak Phenolics Limited (DPL) – From Bulk Scale to High-Value Derivatives

DPL continues to solidify its position as a domestic leader in Phenol, Acetone, and IPA, evolving into a high-value contributor to DNL's portfolio.

- **Performance Snapshot:** In FY 2024-25, DPL achieved record production of Phenol and Acetone, with high capacity utilization. Revenue contribution stood at 69%, supported by robust volumes and operational efficiencies.
- **Strategic Expansion:** DPL continue to see the rollout of downstream derivatives targeting healthcare, coatings, and electronics, reducing India's import reliance. Projects for captive waste treatment and raw material integration are on track for timely commissioning.
- **Financial Strength:** Achieving debt free status with liquid investments, underscores DPL's financial discipline. The successful SAP implementation further enhances operational transparency and efficiency.

Looking ahead, DPL will capitalize on growing Polycarbonate resin demand (driven by construction, automotive, and electronics) and reinforce its import-substitution leadership with a diversified, high-margin product mix.

Deepak Chem Tech Limited (DCTL) – Engineering India's Next Speciality Platforms

DCTL emerges as DNL's dynamic growth engine, channelling investments into cutting-edge chemistries and scalable platforms.

- **Investment Momentum:** A key development is the Deepak Chem Tech Board's approval of a ₹ 3,500 Crores investment in April, 2025, to expand capacities for Phenol, Acetone, and Isopropyl Alcohol (IPA), which will feed into the production of Polycarbonate resins. With this, the total planned investment in the PC resins value chain – starting from Phenol and Acetone – now total approximately ₹ 8,500 Crores, including the earlier ₹ 5,000 Crores approved for PC resins projects.
- **Focus Areas:** To establish a world-scale integrated chemical complex that drives innovation in advanced technologies and specialized processes, supporting high-value sectors such as agrochemicals, electronics, and performance materials. The facility will include large-scale production of Polycarbonate, MMA/PMMA resins, and aniline, with the goal of creating thousands of jobs, directly and indirectly by 2027 and positioning the complex as a hub for industrial and economic growth.
- **Strategic Intent:** By diversifying our portfolio and enhancing customer reach, DCTL is positioning Deepak Group as a global player in speciality chemicals, supported by innovation, IP development, and a strong financial foundation.

Deepak's forward-thinking approach will unlock new revenue streams and elevate the competitive edge in high-growth markets.

Key Strategies: Navigating Complexity with Clarity and Confidence

Our approach to thriving in a challenging environment rests on six strategic pillars:

- **Business Resilience:** Optimizing assets and adapting swiftly to market shifts to maintain steady performance.
- **Portfolio Optimization:** Balancing product offerings to maximize margins while meeting diverse customer needs.
- **Customer-Centric Growth:** Deepening relationships to sustain market leadership across key products.
- **Operational Excellence:** Enhancing efficiency through process automation, SAP adoption (extending beyond DPL), and by-product valorization.
- **Sustainability Leadership:** Reducing our carbon footprint with multi-fuel boilers, renewable energy, and waste recycling initiatives.
- **Financial Prudence:** Strengthening our balance sheet to fund growth CAPEX while maintaining robust controls over inventory and working capital.

Technology & Innovation: Empowering Growth Through Digital and Chemical Advancements

- **Digital Integration:** AI-driven process controls, predictive analytics, and digital twins are enhancing plant efficiency, safety, and quality. SAP implementation across entities will streamline operations further.
- **R&D Acceleration:** Investments in AI-assisted molecule design and continuous flow chemistry are shortening innovation cycles and expanding our speciality offerings.
- **Sustainability Enablers:** Energy optimization, water conservation, and green chemistry adoption are reducing costs and environmental impact.

ESG Commitment: Growth with Purpose – A Sustainable Legacy

- **Environmental Stewardship:** Targeting zero liquid discharge in new facilities, scaling renewable energy use, and valorizing waste to minimize our ecological footprint.
- **Social Impact:** Expanding community programs, fostering workforce diversity, and creating employment through large-scale projects like DCTL's Gujarat initiatives.
- **Governance Excellence:** Upholding transparency, compliance, and ethical standards across operations and supply chains.

A VISION REALIZED: RESILIENT TODAY, THRIVING TOMORROW

Deepak enters in FY 2025-26 with optimism and clarity. Our integrated business model, diversified revenue streams, and strategic investments position us to weather global headwinds while seizing opportunities in high-growth sectors. With a project pipeline, enhancing capacity, a focus on speciality platforms, and a commitment to sustainability, we are building a strong Organization that delivers enduring value for shareholders, customers, employees, and society.



DISCLAIMER: The contents of this Report include statements that look forward into the future and may carry risks and uncertainties. These forward-looking statements are identified by words such as 'anticipate,' 'belief,' 'estimate,' 'expect,' 'intend,' 'will' and other similar expressions related to the Company and its Businesses. The Company does not have an obligation to update or modify these forward-looking statements publicly, whether due to new information, future events, or other reasons. The actual results, performances, or achievements may differ significantly from what is expressed or implied in these forward-looking statements. It is advised that readers exercise caution and not overly rely on these forward-looking statements as they only reflect the state of affairs as of the date of this Report. It is recommended to read this Report together with the financial statements and their accompanying notes.

FINANCIAL HIGHLIGHTS FOR THE LAST TEN YEARS

Sr. No.	Particulars	UOM*	Ind-AS																Indian GAAP
			Consolidated							Standalone									
			2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
1.	Total Income	₹ in Cr	8366	7758	8020	6845	4382	4265	2715	2676	2848	3135	2582	1823	2237	1795	1491	1324	1337
	YoY Growth	*%*	*7.84*	*-3.26*	*17.16*	*56.22*	*2.73*	*57.08*	*60.80*	*-6.05*	*-9.16*	*21.43*	*41.63*	*-18.52*	*24.67*	*20.38*	*12.56*	*-0.96*	*0.61*
2.	EBITDA	₹ in Cr	1176	1199[@]	1337	1646	1269	1061	429	441	567[@]	688	716	550	804	308	214	152[@@]	168
3.	Profit / (Loss) Before Taxation	₹ in Cr	953	1022[@]	1146	1434	1042	806	268	338	478[@]	610	642	479	706	212	122	74[@@]	91
	Percentage to Total Income	*%*	*11.39*	*13.17*	*14.29*	*20.96*	*23.78*	*18.91*	*9.87*	*12.62*	*16.80*	*19.45*	*24.87*	*26.28*	*31.56*	*11.84*	*8.19*	*5.58*	*6.83*
4.	Profit / (Loss) After Taxation	₹ in Cr	697	811	852	1067	776	611	174	276	433	469	486	355	544	138	83	52[@@]	65
	Percentage to Total Income	*%*	*8.34*	*10.45*	*10.62*	*15.58*	*17.71*	*14.33*	*6.40*	*10.33*	*15.22*	*14.97*	*18.83*	*19.47*	*24.32*	*7.69*	*5.60*	*3.92*	*4.87*
5.	Equity	₹ in Cr	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	26	23
6.	Net worth*[#]	₹ in Cr	5389	4797	4090	3338	2347	1572	1072	3126	2955	2625	2256	1845	1491	1058	944	732	476
7.	Debt	₹ in Cr	1171	217	54	301	578	1099	1187	19	0	0	14	-	208	328	462	574	495
8.	Dividend on Equity Capital	₹ in Cr	102[##]	102[##]	102	95	75	61**	27	102[##]	102[##]	102	95	75	61**	27	18	16	14
	Percentage	*%*	*375[##]*	*375[##]*	*375*	*350*	*275*	*225***	*100*	*375[##]*	*375[##]*	*375*	*350*	*275*	*225***	*100*	*65*	*60*	*60*
9.	EPS	₹	51.12	59.45	62.46	78.20	56.88	44.80	12.73	20.27	31.78	34.41	35.65	26.01	39.89	10.12	6.34	4.43	6.07
10.	Book Value	₹	395	352	300	245	172	115	79	229	217	192	165	135	109	78	72	62	44
11.	Net Debt/ Equity Ratio	*x*	*0.05*	*0.00*	*0.05*	*0.00*	*0.15*	*0.68*	*1.08*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.14*	*0.30*	*0.43*	*0.64*	*0.89*

*UOM: Units of Measurement

**Interim Dividend

[@] Excludes exceptional income derived from insurance claims received against fire.

[@@] Excludes exceptional income derived from sale of land.

[##] Proposed dividend is accounted as and when declared by the Company.

*[#] Net worth attributable to owners of the company.

Notice

NOTICE is hereby given that the Fifty Fourth Annual General Meeting of Members of **DEEPAK NITRITE LIMITED** will be held on **Thursday**, the **14th** day of **August, 2025, at 11:30 A.M.** through Video Conferencing/Other Audio Visual Means to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors' and the Auditor's thereon.

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

"RESOLVED THAT the Audited Standalone Financial Statements of the Company including Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the Financial Year ended March 31, 2025 along with the Directors' Report and the Auditor's Report thereon, be and are hereby received, considered, approved and adopted.**"**

2. To receive, consider, approve and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with Report of the Auditor's thereon.

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

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company including Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the Financial Year ended March 31, 2025 along with the Auditor's Report thereon be and are hereby received, considered, approved and adopted.**"**

3. To declare dividend of ₹ 7.50 (Rupees Seven and Paisa Fifty only), being 375%, per equity share of face value of ₹ 2.00 (Rupees Two only) each for the Financial Year ended March 31, 2025.

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

"RESOLVED THAT the dividend of ₹ 7.50 (Rupees Seven and Paisa Fifty only) being 375% per equity share of face value of ₹ 2.00 (Rupees Two only) each amounting to ₹ 102,29,47,807.50 (Rupees One Hundred Two Crores Twenty Nine Lakhs Forty Seven Thousand Eight Hundred Seven and Paisa Fifty only), for the Financial Year ended March 31, 2025, as recommended by the Board of Directors, be and is hereby approved.**"**

4. To appoint a Director in place of Shri Maulik Mehta (DIN: 05227290), who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment.

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

"RESOLVED THAT Shri Maulik Mehta (DIN: 05227290), who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.**"**

5. To appoint a Director in place of Shri Sanjay Upadhyay (DIN: 01776546), who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment.

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

"RESOLVED THAT Shri Sanjay Upadhyay (DIN: 01776546), who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.**"**

SPECIAL BUSINESS:

6. Ratification of remuneration of the Cost Auditors for the Financial Year 2025-26.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment

thereof, for the time being in force), the remuneration of ₹ 8,50,000 (Rupees Eight Lakhs Fifty Thousand only) plus applicable taxes, travelling and other out of pocket expenses payable to B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219), the Cost Auditors, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, for the Financial Year ending March 31, 2026, be and is hereby ratified.

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

7. To appoint M/s. KANJ & Co. LLP, Company Secretaries, as Secretarial Auditors of the Company for the term of five (5) consecutive years and payment of remuneration.

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

"RESOLVED THAT pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circulars issued thereunder from time to time and Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the recommendations of Board of Directors of the Company, M/s. KANJ & Co. LLP, Company, Secretaries, Pune, (Firm Registration No. P2000MH005900) having Peer review No. 6309/2024, be and is hereby appointed as the Secretarial Auditors of the Company to hold office for a period of five (5) consecutive years to conduct the Secretarial Audit of the Company commencing from Financial Year 2025-26 till Financial Year 2029-30, at such remuneration plus applicable taxes and out of pocket expenses, as mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.**"**

By Order of the Board of Directors

Arvind Bajpai
Company Secretary
Membership No.: FCS6713

Date: May 28, 2025
Place: Vadodara

Registered Office:
2nd Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara – 390 003, Gujarat
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Email: investor@godeepak.com
Website: www.godeepak.com
CIN: L24110GJ1970PLC001735

GENERAL NOTES

1 Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 05, 2022 and General Circular No. 10/2022, dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023, General Circular No. 09/2024 dated September 19, 2024,Circular No. 133/2024 dated October 3, 2024 and all other relevant circulars issued from time to time by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "the MCA Circulars"), MCA has permitted to hold Annual General Meeting through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of Members at a common venue. Hence, in compliance with the MCA Circulars, the 54th Annual General Meeting ("AGM") of the Company is being held through VC/OAVM.

2 In terms of the MCA Circulars, the physical attendance of Members is dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting. Since the AGM will be held through VC/OAVM, the Route Map for AGM venue is not required to be annexed to the Notice.

3 The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4 In compliance with the MCA Circulars, Notice of the AGM along with the Annual Report for the Financial Year 2024-25 is being sent only through email to those Members whose email IDs are registered with the Company/Depositories. Members may note that the Notice of the AGM and Annual Report for the Financial Year 2024-25 will also be available on the Company's website www.godeepak.com and the 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 and on the website of NSDL (agency providing the remote e-Voting facility) at www.evoting.nsdl.com.

5 Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic mode and with the Company's Registrar & Share Transfer Agent i.e. MUFG Intime India Private Limited ("RTA") in case the shares are held by them in physical mode.

6. Pursuant to SEBI Master Circular for Registrars to an Issue and Share Transfer Agents bearing no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, the Company shall issue the securities in dematerialized form only while processing the service request(s) in the form(s) prescribed therein. It may be noted that any service request can be processed only after the folio is KYC Compliant.

7. Process for Registration/updation of E-mail ID, PAN, Bank Account Details and other details.

Type of Holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed form to the RTA of the Company, MUFG Intime India Private Limited either by email to vadodara@in.mpms.mufg.com or by post to "Geetakunj" 1, Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara – 390015, Tel: 0265- 3566768	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share Capital and Debenture) Rules, 2014	Form SH-13
	Declaration to opt out of Nomination by Holders of Physical Securities	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
	The forms for updating the above details are available at: https://www.godeepak.com/investor-related-forms/	
Demat	Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service ("NECS"), Electronic Clearing Service ("ECS"), mandates, nominations, power of attorney, change of address/name, e-mail address, contact numbers etc. to their Depository Participant ("DP") only, and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better services to the Members.	

This may be treated as an advance opportunity in terms of proviso to Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014.

8. Members who wish to seek any information with regard to the Financial Statements or any matter to be placed at AGM are requested to write to the Company latest by **August 4, 2025**, through email on investor@godeepak.com so as to enable the Company to keep the information ready at the AGM.

9. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Company's RTA.

10. SEBI Notification No. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. The Members may contact the Company or the Company's RTA for assistance in this regard.

11. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 6 and 7 of the Notice, is annexed thereto. Further, the relevant details with respect to Item Nos. 4 and 5 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment /re-appointment at this AGM are also annexed to the Notice.

12. The Members can join the AGM through VC/OAVM mode, 30 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 for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee (NRC) and Stakeholders Relationship and Investor Grievances Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. August 14, 2025. Members seeking to inspect such documents can send an email to investor@godeepak.com.

14. Members may note that the Board of Directors of the Company, at its meeting held on May 28, 2025, has recommended a final dividend of ₹ 7.50 (Rupees Seven and Paisa Fifty only) per equity share for the Financial Year 2024-25. The dividend as recommended by the Board of Directors, if approved at the AGM, will be paid within 30 days of AGM in respect of shares held in the Company in physical form, to those Members whose names appear in the Company's Register of Members and in respect of shares held in demat form, to those "Deemed Members" whose names appear in the Statement of Beneficial Ownership furnished by the NSDL and CDSL as on Record Date i.e. August 4, 2025.

15. The dividend, once approved by the Members at the ensuing AGM, will be paid electronically through various online transfer modes to those Members who have updated their bank account details. Members holding shares in physical form and who have not updated their bank account details, may submit Form ISR-1 duly signed stating their bank details viz., Name of the Bank and Branch, their A/C type and Core Banking A/C No. with 9 digit MICR and 11 digit IFSC code along with the original copy of cancelled cheque to MUFG Intime India Private Limited. Requests for payment of dividend through various online transfer modes should be lodged with MUFG Intime India Private Limited on or before August 14, 2025. To avoid delay in receiving dividend, Members are requested to update their KYC with their depositories (where shares are held in dematerialised mode) and with the Company's RTA (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

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

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members not having In operative PAN / valid PAN (Section 206AA of the IT Act)	20% or as notified by the Government of India

However, no tax shall be deducted on the dividends payable to a resident individual if the total dividend to be received by them during fiscal 2025 does not exceed ₹ 10,000 and also in cases where Members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged sixty (60) years or more) subject to conditions specified in the IT Act. PAN is mandatory for Members providing Form 15G / 15H or any other document as mentioned above. The Company may at its sole discretion reject the form if it does not fulfil the requirement of the law.

Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/ nil with holding tax.

For non-resident shareholders (including Foreign Institutional Investors / Foreign Portfolio Investors), taxes are required to be withheld in accordance with the provisions of Section 195, Section 196D 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 dividends 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"), 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, non-resident shareholders will have to provide the following:

Self-attested copy of the PAN card allotted by the Indian Income Tax Authorities duly attested by the Member or in case PAN is not available, details as prescribed under Rule 37BC of Income Tax, Rules, 1962.

- Self-attested copy of Tax Residency Certificate for fiscal 2025 obtained from the revenue authorities of the country of tax residence, duly attested by Member.
- Copy of Form-10F filled electronically on the income tax portal for Financial Year 2025-26, if all the details required in this Form are not mentioned in the Tax Residency Certificate.
- Self-declaration by the Member that (i) does not have a permanent establishment in India under the applicable Tax Treaty, (ii) is the beneficial owner of the dividends, (iii) complies with any other condition prescribed in the relevant Tax Treaty and provisions under the 'MLI' will not have a place of effective management in India.
- FPI shareholders shall, in addition to above documents, also provide SEBI Registration Certificate as FII / FPI.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the Member.

Please note that application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon the completeness and satisfactory review of the same by the Company.

Accordingly, the aforementioned documents are required to be uploaded on the shareholder portal at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html on or before August 4, 2025.

No communication would be entertained from Members after August 4, 2025 regarding tax withholding matters. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from a Member, there would still be an option available with the Member to file the return of income and claim an appropriate refund, if eligible.

The Company shall arrange to e-mail the soft copy of TDS certificate to Members at their registered e-mail ID in accordance with the provisions of the Income Tax Act 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.

The Company vide its separate e-mail communication had informed the Members regarding this change in the Income Tax Act, 1961 as well as the relevant procedure to be adopted by the Members to avail the applicable tax rate

17. In terms of the provisions of Section 124 and other applicable provisions of the Act, the amount of dividend not encashed or claimed within seven (7) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Accordingly, the unclaimed dividend in respect of Financial Year 2017-18 is due for transfer to IEPF Fund in August, 2025. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend for the Financial Year 2017-18 onwards, are requested to lodge their claims for the same with the Company or RTA of the Company.

Attention of Members is invited to the provisions of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time, which inter alia requires the Company to transfer the equity shares on which the dividend has remained unpaid or unclaimed for a continuous period of seven (7) years, to a special demat account of Investor Education and Protection Fund Authority ("IEPF Authority").

The dividend/shares, once transferred to the said demat account of the IEPF Authority can be claimed after following due procedure prescribed under the said IEPF Rules by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meeting(SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, December 28, 2022, September 25, 2023 and September 19, 2024 the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system is provided by NSDL.

19. Members who have cast their votes by remote e-Voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by Members holding shares in dematerialised mode, physical mode and for Members who have not registered their e-mail addresses is provided in the "Instructions for e-Voting" section which forms part of this Notice.

20. The Board of Directors of the Company has appointed Shri Dinesh Joshi, Practising Company Secretary (Membership No.: FCS-3752), Designated Partner, KANJ & Co. LLP, Company Secretaries, Pune, as the Scrutiniser, to scrutinise the voting during the AGM and remote e-Voting process in a fair and transparent manner.

21 Members holding shares either in physical or dematerialised form, as on **Monday, August 4, 2025** ("Cut-off Date"), may cast their votes electronically. The e-Voting period commences on **Monday, August 11, 2025 (9:00 A.M. IST)** and ends on **Wednesday, August 13, 2025 (5:00 P.M. IST)**. The e-Voting module will be disabled by NSDL thereafter. A Member will not be allowed to vote again on any Resolution on which vote has already been cast.

22 The voting rights of Members shall be proportionate to their share of the paid-up equity share capital of the Company as on the Cut-off Date i.e. as on **August 4, 2025.**

23 A person who is not a Member as on the Cut-off Date is requested to treat this Notice for information purposes only.

24 The facility for voting during the AGM will also be made available. Members present at the AGM through VC and who have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through the e-Voting system during the AGM.

25 Any person holding shares in physical form and non-individual shareholders who acquire shares of the Company and become Member of the Company after the Notice is sent and holding shares as of the Cut-off Date, i.e. August 4, 2025, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if he / she is already registered with NSDL for remote e-Voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding securities in demat mode, who acquire shares of the Company and become Member of the Company after the Notice is sent and holding shares as of the Cut-off Date, may follow steps mentioned in the Notice under 'Instructions for e-Voting'.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

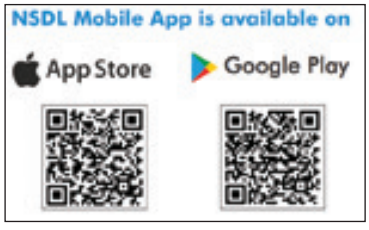
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.

In terms of SEBI Circular 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under **"IDeAS"** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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 held 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www. cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www. cdslindia.com. Click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat account. After successful authentication, user will be provided links for the respective e-Voting Service Providers i.e. NSDL where the e-voting is in progress.
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. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 48867000
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 21 09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a Mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********.
C)	For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the "initial password" which was communicated to you. Once you retrieve your "initial password" you need to enter the "initial password" and the system will force you to change your password.

   c) How to retrieve your "initial password"?

      (i) If your email ID is registered in your demat account or with the Company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your "User ID" and your "initial password".

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on https://www.evoting.nsdl.com/.

   b) Physical User Reset Password? (If you are holding shares in physical mode) option available on https://www.evoting.nsdl.com/.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present at 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 at the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members may note that the 54th Annual General Meeting of the Company will be convened through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013, read with the MCA Circulars. The facility to attend the AGM through VC/OAVM will be provided by the Company through NSDL. Members may access the same at https://www.evoting.nsdl.com.

2. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system.

3. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of the Company will be displayed.

4. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

5. Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

6. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.

7. Members can participate in the AGM through their desktops/ smartphones/ laptops etc. However, for better experience and smooth participation, it is advisable to join the Meeting through desktops/ laptops with high-speed internet connectivity.

8. 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.

9. Members will be required to allow camera and the use Internet with a good speed to avoid any disturbance during the AGM.

10. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, mobile number at https://www.godeepak.com/investor/ latest by August 4, 2025. 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 speakers depending on the availability of time for the AGM.

GENERAL GUIDELINES FOR SHAREHOLDERS:

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutiniser by e-mail to dinesh.joshi@kanjcs.com with a copy marked to evoting@nsdl.com or upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 48867000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com.

Process for those shareholders whose email IDs are not registered with the Depositories for obtaining user ID and password and registration of e-mail IDs for e-Voting for the Resolutions set out in this Notice:

Shareholders may send a request to evoting@nsdl.com for obtaining user ID and password for e-Voting.

1. In case shares are held in physical mode, please provide 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).

2. In case shares are held in demat mode, please provide DPIDCLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).

3. If you are an individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

   Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI Circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Other Instructions

- The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting, and submit, not later than 48 hours of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.

- The result declared along with the Scrutiniser's Report shall be placed on the Company's website at www.godeepak.com and on the website of NSDL, https://www.evoting.nsdl.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the equity shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

The Board of Directors of the Company, upon recommendation of the Audit Committee, has approved the appointment of B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219) as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2026. Also, upon recommendation of the Audit Committee, the remuneration of the Cost Auditors was fixed by the Board of Directors as ₹ 8,50,000 (Rupees Eight Lakhs Fifty Thousand only) plus applicable taxes, travelling and other out of pocket expenses for performing the audit as mentioned above.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, approval of Members is being sought for the Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2026.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 6 of the Notice.

The Board recommends Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7

The Board of Directors, at its meeting held on May 28, 2025, has recommended the appointment of KANJ & Co., LLP, Company Secretaries (Firm Registration No. P2000MH005900 and having Peer review No. 6309/2024) as the Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a term of five (5) consecutive years commencing from Financial Year 2025-26 to Financial Year 2029-30, subject to approval by the Members at this Annual General Meeting.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

Sr No	Particulars	Details
1	Proposed Secretarial Auditors	KANJ & Co., LLP, Company Secretaries
2	Basis of Recommendation	KANJ & Co., LLP, is LLP of Practicing Company Secretaries and primarily engaged in providing Secretarial Audit, Governance, Compliance Management and other Assurance services. Kanj has experience in handling the secretarial audits of listed and large unlisted companies. The Board believes that their experience of conducting Secretarial Audit of listed companies and large unlisted companies and knowledge of the legal and regulatory framework will be invaluable to the Company in ensuring continued adherence to compliance requirements under the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, other applicable corporate laws. The recommendation for the appointment of KANJ & Co., LLP as Secretarial Auditors is based on their past track record and capabilities in delivering quality secretarial audit services to other companies of similar size and complexity.
3	Credential of Proposed Secretarial Auditor	KANJ & Co.,LLP is a firm of Company Secretaries in Practice and holding Peer Review Certificate No. 6309/2024 issued by the Peer Review Board of the Institute of Company Secretaries of India.
4	Term of Appointment	five (5) consecutive years from Financial Year the 2025-26 to Financial Year 2029-30.

Sr No	Particulars	Details
5	Proposed Fees	₹ 6,00,000/- (Rupees Six Lakhs Only) per annum plus applicable taxes and reimbursement of other out-of-pocket expenses actually incurred in connection with the Secretarial Audit of the Company for the Financial Year 2025-26 and for subsequent year(s) of their term, such fees as mutually agreed between the Board of Directors of the Company and Secretarial Auditors.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 7 of the Notice. The Board recommends the resolution set forth in item No. 7 of the Notice for approval of the Members as an Ordinary Resolution.

By Order of the Board of Directors

Arvind Bajpai
Company Secretary
Membership No.: FCS6713

Date: May 28, 2025
Place: Vadodara

Registered Office:
2nd Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara – 390 003, Gujarat
Tel: +91-265-2765200
Fax: +91-265-2765344
Email: investor@godeepak.com
Website: www.godeepak.com
CIN: L24110GJ1970PLC001735

Annexure – I To The Notice

Additional information for the Directors seeking appointment / re-appointment at the AGM as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of Director	**Shri Maulik Mehta**
DIN	05227290
Date of Birth	March 27, 1983
Age	42 Years
Brief resume covering expertise in specific functional areas and experience	Shri Maulik Mehta is a Bachelor of Business Administration from the University of Liverpool, UK. He holds a Master's degree in Industrial and Organisational Psychology from Columbia University, USA. He has also graduated in Owner/President Management - an executive MBA programme from the prestigious Harvard Business School, sharpening his leadership dexterity and knowledge to bring a fresh breath of global business insights and agility in the Company management. Shri Maulik Mehta has been at the helm of the organisation as the Executive Director & Chief Executive Officer since June 2020. He took over the charge in an extremely challenging and uncertain environment during the peak of the COVID-19 pandemic, where the priority was to ensure the security and healthcare of the workforce and safeguard the interests of the investors. Shri Mehta has a dynamic and innovation-driven work acumen, evident in his 17-years hands-on, outcome-driven work ethic across key areas such as business development, patent and product development, human resources, brand equity, external relations, as well as formulating a future-ready Group strategy. He is an avid ESG champion and under his leadership, the Company has adopted a forward-looking approach that prioritises diversity, equity, inclusion, circularity and sustainability while maximising profits and delivering value to all stakeholders. His technology-forward approach and global vision have been instrumental in developing executive strategies and initiatives that have significantly improved both the top-line and bottom-line. Shri Mehta's consensus-oriented management has demonstrated excellent leadership in all aspects of the business.
Qualifications	Bachelor of Business Administration from the University of Liverpool, UK. He holds a Master's degree in Industrial and Organisational Psychology from Columbia University, USA.
The Skills and capabilities required for the role and manner in which the proposed person meets such requirements	Shri Maulik Mehta meets with various requirements such as Industry Knowledge, Behavioural skills, attributes and competencies to use his knowledge and skills to contribute effectively to the growth of the Company, Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision making Skills, Financial & Management Skills, Technical Skills, Communication Skills, Leadership Skills, Stakeholder Relations, Risk Management Skills.
Directorships held in companies	**Listed Companies** Transpek Industries Limited Deepak Nitrite Limited **Unlisted Companies** Narmada Thermal Power Private Limited Deepak Advanced Materials Limited Deepak PMC Limited Deepak Cybit Private Limited Deepak Phenolics Limited Deepak Chem Tech Limited

Name of Director	**Shri Maulik Mehta**	
Membership / Chairmanship of committees of public companies	**Deepak Nitrite Limited** Risk Management Committee – Member Sustainability Committee - Member **Deepak Chem Tech Limited** Project Committee – Member **Transpek Industry Limited** Nomination and Remuneration Committee - Member	
Names of Listed entities from where he resigned in past 3 years	Nil	
Shareholdings in the Company, including Shareholding as a Beneficial Owner	1,31,300 Equity Shares	
Disclosure of relationships between Directors inter-se	Shri Maulik Mehta is son of Shri Deepak C. Mehta, Chairman & Managing Director, brother of Shri Meghav Mehta, Non-Executive Director and nephew of Shri Ajay C. Mehta, Non-Executive Director of the Company.	
Remuneration received from the Company in the Financial Year 2024-25	Fixed Pay: ₹ 388.70 Lakhs Variable Pay: ₹ 60.84 Lakhs (for the Financial Year 2023-24 and paid in the Financial Year 2024-25) **Total: ₹ 449.54 Lakhs**	
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid	He shall be liable to retire by rotation. Not entitled for sitting fees for attending meeting of Board and Committees thereof.	
Date of first appointment on the Board	May 9, 2016	
The number of Meetings of the Board attended during the Financial Year 2024-25/ during the tenure of their appointment	**No. of Board Meetings held** 4	**No. of Board Meetings attended** 4

Name of Director	**Shri Sanjay Upadhyay**
DIN	01776546
Date of Birth	July 20, 1961
Age	63 Years
Brief resume covering expertise in specific functional areas and experience	Shri Sanjay Upadhyay is a qualified Cost Accountant and a Company Secretary. He has completed an Advanced Management Programme from Wharton, USA. He has over 40 years experience in the areas of Finance, Treasury, Taxation, Commercial, Secretarial and Corporate Restructuring. He oversees risk Management, Governance, Investor Relation and IT functions. Apart from these, he also has expertise in growth strategy, acquisitions, restructuring etc. Shri Sanjay Upadhyay joined the Company in 1994. During the span of his career, he has held important positions in the Company. He was inducted on the Board as Director (Finance) from April 2017 and was designated as Director (Finance) & Group Chief Financial Officer of the Company from August 2023. In his role as Group CFO, he is focussed on driving financial performance of the Group through rigour and synergy in capital allocation, investment management decisions and portfolio optimisation. Shri Sanjay Upadhyay is on the Board of several companies within the Deepak Group and is also part of various Committees of Directors across Deepak Group.
Qualifications	Qualified Cost Accountant and Company Secretary. He has completed an Advanced Management Programme from Wharton, USA.
The Skills and capabilities required for the role and manner in which the proposed person meets such requirements	Shri Sanjay Upadhyay meets with various requirements such as Industry Knowledge, Behavioural skills, attributes and competencies to use his knowledge and skills to contribute effectively to the growth of the Company, Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision making Skills, Financial & Management Skills, Technical Skills, Communication Skills, Leadership Skills, Stakeholder Relations, Risk Management Skills.
Directorships held in companies	**Listed Companies** Deepak Nitrite Limited **Unlisted Companies** Narmada Thermal Power Private Limited Deepak PMC Limited Deepak Novochem Specialities Limited Deepak Novochem Technologies Limited Deepak Phenolics Limited. Deepak Chem Tech Limited
Membership / Chairmanship of committees of public companies	**Deepak Nitrite Limited** Stakeholders' Relationship & Investors Grievances Committee – Member Risk Management Committee – Member Corporate Social Responsibility Committee – Member **Deepak Novochem Technologies Limited** Audit Committee – Chairman Nomination and Remuneration Committee – Chairman Corporate Social Responsibility Committee – Member Risk Management Committee - Chairman

Name of Director	Shri Sanjay Upadhyay	
	Deepak Phenolics Limited Audit Committee – Member Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Member Sustainability Committee - Member **Deepak Chem Tech Limited** Project Committee – Member Audit Committee – Member Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Member **Deepak Novochem Specialities Limited** Nomination and Remuneration Committee – Chairman Audit Committee – Chairman	
Names of Listed entities from where he resigned in past 3 years	Nil	
Shareholdings in the Company, including Shareholding as a Beneficial Owner	1,738 Equity Shares	
Disclosure of relationships between Directors inter-se	NIL	
Remuneration received from the Company in the Financial Year 2024-25	Fixed Pay: ₹ 477.13 Lakhs Variable Pay: ₹ 85.20 Lakhs (for the Financial Year 2023-24 and paid in the Financial Year 2024-25) **Total: ₹ 562.33 Lakhs**	
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid	He shall be liable to retire by rotation. Not entitled for sitting fees for attending meeting of Board and Committees thereof.	
Date of first appointment on the Board	April 28, 2017	
The number of Meetings of the Board attended during the Financial Year 2024-25 / during the tenure of their appointment	**No. of Board Meetings held** 4	**No. of Board Meetings attended** 4

By Order of the Board of Directors

Arvind Bajpai
Company Secretary
Membership No.: FCS6713

Date: May 28, 2025
Place: Vadodara

Registered Office:
2nd Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara – 390 003, Gujarat
Tel: +91-265-2765200
Fax: +91-265-2765344
Email: investor@godeepak.com
Website: www.godeepak.com
CIN: L24110GJ1970PLC001735

INFORMATION AT A GLANCE:

Particulars	Details
Time and date of AGM	11:30 a.m. (IST), Thursday, August 14, 2025
Mode	Video Conferencing and Other Audio Visual Means
Webcasts and transcripts	https://www.godeepak.com/financial-result/
Record Date	Monday, August 4, 2025
Final Dividend Payment date	Within 30 days from the date of declaration of Dividend
Information of tax on final dividend 2024-25	₹ 7.50/- (Rupees Seven and Paisa Fifty only)
Cut-off date for eligibility of remote e-voting and voting at the AGM	Monday, August 4, 2025
e-Voting start time and date	9:00 a.m. (IST), Monday, August 11, 2025
e-Voting end time and date	5:00 p.m. (IST), Wednesday, August 13, 2025
Name, address and contact details of e-voting service provider	**Contact Name** Ms. Pallavi Mhatre Senior Manager **National Securities Depository Limited** 4th Floor, A wing, Trade world, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013, India **Email Id** evoting@nsdl.com **Contact Number** 022-48867000
Name, address and contact details of registrar and Transfer Agent	Shri Alpesh Gandhi Asst. Vice President **MUFG Intime India Private Limited** "Geetakunj" 1, Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara – 390 015, Tel: 0265- 3566768

By Order of the Board of Directors

Arvind Bajpai
Company Secretary
Membership No.: FCS6713

Date: May 28, 2025
Place: Vadodara

Registered Office:
2nd Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara – 390 003, Gujarat
Tel: +91-265-2765200
Fax: +91-265-2765344
Email: investor@godeepak.com
Website: www.godeepak.com
CIN: L24110GJ1970PLC001735

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Fifty Fourth (54th) Annual Report of Deepak Nitrite Limited ('DNL' or 'your Company' or 'the Company') along with the Audited Financial Statements for the Financial Year ('FY') ended March 31, 2025. The Directors' Report has been prepared on a standalone basis and the consolidated performance of the Company and its subsidiaries ('Deepak' or 'the Group') has been referred to wherever required.

FINANCIAL RESULTS

Your Company's financial performance for the year ended March 31, 2025 is summarized below:

(₹ in Crores)

Particulars	Standalone Results		Consolidated Results	
	2024-25	2023-24	2024-25	2023-24
Total Revenue (Gross)	**2,675.66**	**2,848.05**	**8,365.79**	**7,757.93**
Operating Profit Before Depreciation, Finance Cost, Exceptional Item and Tax (EBITDA)	**441.19**	**567.34**	**1,175.62**	**1,199.41**
Less: Depreciation and Amortization expenses	99.87	86.79	195.37	165.66
Less: Finance Costs	3.78	2.09	27.50	11.83
Add: Exceptional Items	-	79.80	-	79.80
Profit before Tax	**337.54**	**558.26**	**952.75**	**1,101.72**
Less: Tax expenses	61.11	124.83	255.38	290.83
Net Profit for the Year	**276.43**	**433.43**	**697.37**	**810.89**
Other Comprehensive Income	-2.20	-1.66	-3.31	-1.95
Total Comprehensive income for the Year	**274.23**	**431.77**	**694.06**	**808.94**
Surplus brought forward from previous year	2,392.77	2,063.41	4,234.86	3,528.32
Balance available for Appropriation	**2,666.77**	**2,495.06**	**4,929.41**	**4,337.14**

The FY 2024-25 unfolded against a complex backdrop marked by geopolitical uncertainties, energy cost volatility, and continued disruptions in global supply chains. It also presented opportunities, as the China+1 strategy gained traction, leading global giants to diversify sourcing to alternative regions including India. The year witnessed tightening margins owing to pricing pressure caused by Chinese aggression in the markets in India and elsewhere in the World, subdued demand in certain agrochemicals—driven by prolonged destocking.

Additionally, global crop prices, particularly wheat, corn, and soybean, witnessed a sharp decline, largely due to record-high wheat exports from Russia and increased grain shipments from Ukraine. However, Deepak's agile operations, consistent plant utilisation, and emphasis on process efficiencies allowed it to maintain reliability and deliver on customer expectations. Strategic investments in process improvements, cost control measures, and supply chain agility supported margin stability and ensured continuity in dynamic market conditions.

A key trend shaping the global chemical industry has been the intensifying focus on sustainability, driving companies to invest in green technologies, adopt circular economy models, and transition to bio-based feedstocks in response to evolving customer demands and environmental regulations that are increasingly becoming more stringent. Combined with moderate global economic growth, these dynamics have created a challenging yet transformative period for the industry.

Also, Deepak's strong execution track record, manufacturing expertise, deep customer relationships, and commitment to value-added chemistry positioned it to ride on this shift successfully. At the same time, the Company remained alert to external pressures, including raw material cost swings and tightening environmental norms, responding with proactive sourcing diversification,

operational optimization, and enhanced customer focus. For India, despite these global headwinds, strong domestic demand provided a crucial buffer.

Given this backdrop, Deepak reported a resilient performance in FY 2024-25. The Company faced subdued demand in select agrochemicals product due to sluggish global and domestic consumption, accompanied by pressure on realisation due to sustained dumping by Chinese suppliers. Despite these headwinds, your Company ensured a concerted focus on capacity expansion, both greenfield and brownfield, debottlenecking initiatives and R&D investments, focusing on enhancing its portfolio of products, registering better penetration towards geographies and customers. The Company remains cautiously optimistic, citing opportunities arising from global supply chain diversification and strong domestic demand.

Deepak has been investing around ₹ 2,000 Crores in various greenfield projects which are being commissioned for manufacturing products as backward and forward integration. Hence, these products are potentially margin accretive. Looking ahead, DNL anticipates a more favourable outlook given newer robust being added to its product basket, driven by expected demand recovery. These products are nitric acid, specialty chemicals, MIBK-MIBC (produced from Acetone), larger capacity addition in hydrogenation and nitration capabilities to take care of the Group's ambition towards inclusion of product offering to its user industries.

Apart from the above, Deepak has obtained approval from its Board as formal investment decision of ₹ 8,500 Crores towards investing into projects manufacturing Polycarbonate resins, Phenol – Acetone. These projects are expected to be commissioned by FY 2027-28.

With a strong focus on sustainability as evidenced by strong capex pipeline, high TFS scores, cost leadership and operational excellency, Deepak is well-positioned to strengthen its competitive edge. While short-term volatility remains a concern, your Company's robust domestic footprint, continuous innovation in speciality chemicals and expansion initiatives position it favourably to capitalize on India's growing role in the global chemical market.

PERFORMANCE REVIEW

Standalone

DNL's fiscal year 2025 unfolded amidst a complex market landscape, characterized by both challenges and strategic advancements. Impact of deferred demand, volatile raw material costs and an influx of supply from Chinese markets hampered its operational performance. Despite these pressures, certain segments within the Company's portfolio, notably dyes and pigments intermediates among others, demonstrated resilience, contributing positively to overall financial performance. This underscored the strength of your Company's diversified product offerings and its ability to navigate fluctuating market conditions.

During the year ended March 31, 2025, DNL's Total Revenue, including Other Income, stood at ₹ 2,676 Crores. Despite operating challenges, your Company strategically allocated resources to high-demand applications while awaiting a recovery in the agrochemical sector. The Company leveraged its multi-purpose plants for flexibility, ensuring efficient utilization of capacity. Throughout the year, the commissioning of various debottlenecking initiatives led to gains in production capacity for several key intermediates.

Simultaneously, the Company actively executed several key initiatives aimed at securing long-term growth and enhancing its market position. With the commitment to increased Research and Development ('R&D') activity, a new R&D Centre is setup at Savli near Vadodara. New Products in the area of Material Sciences are also being considered based on core competencies of Deepak.

On performance front, your Company's EBITDA stood at ₹ 441 Crores vs ₹ 567 Crores in the previous year, Profit Before Tax (PBT) came in at ₹ 338 Crores, with Profit After Tax (PAT) reaching ₹ 276 Crores. Depreciation and Finance Costs amounted to ₹ 99 Crores and ₹ 4 Crores, respectively.

Domestic Revenue stood at ₹ 1,385 Crores, while Export Revenue came in at ₹ 1,141 Crores, driven by targeted initiatives in favourable markets. Your Company continued to prioritize wallet share expansion and debottlenecking initiatives to enhance volumes amid mixed industry sentiment.

Reinforcing its financial stability, credit rating agencies reaffirmed DNL's ratings, citing its robust operational profile and diversified product range. DNL's ability to sustain strong creditworthiness despite market fluctuations underscored its disciplined financial management and strategic resilience.

Looking ahead, DNL is strategically charting its path toward becoming one of the most integrated and future-ready chemical and petrochemical companies globally. The Company is strengthening its foundation through expansion of its product portfolio, deeper penetration into key markets, and consistent growth across its core business segments, through new projects being done by its subsidiary.

To meet evolving industry demands, the Company is actively exploring new opportunities and adopting cutting-edge technologies. These efforts are complemented by targeted investments in capacity expansion and supply chain resilience, ensuring the agility needed in a dynamic global environment.

DNL has successfully implemented SAP S4 HANA along with various applications around Transport management, Customer

relationship management, Laboratory management, Weigh bridge management, which has been a serious way forward towards streamlining operations, improving inventory management, easing out financial reporting and decision-making processes. This integration of SAP S4 HANA and other applications as mentioned above, enhances transparency, efficiency and transforms DNL into a data-driven organization digitally.

Innovation, sustainability, and customer-centricity remain core to DNL's approach. By embedding these principles into its operations and executing key strategic projects, the Company is well-positioned to bridge global demand-supply gaps and emerge as a preferred partner for international customers—driving long-term, sustainable growth and industry leadership.

Deepak Phenolics Limited

Deepak Phenolics Limited ('DPL'), a Wholly Owned Material Subsidiary of your Company, is a cornerstone of India's phenolics industry, headquartered in Vadodara, Gujarat. Since commissioning its advanced manufacturing facility in Dahej, Gujarat, in November 2018, DPL has established itself as the country's leading producer of Phenol, Acetone, Cumene, Alpha Methyl Styrene ('AMS') and Isopropyl Alcohol ('IPA'). By leveraging locally sourced raw materials like Benzene and Propylene, combined with an integrated production setup, DPL ensures cost efficiency and operational resilience.

During FY 2024-25, DPL recorded Revenues of ₹ 5,863 Crores compared to ₹ 5,044 Crores in FY 2023-24. The Profit After Tax increased by 25% to ₹ 591 Crores in FY 2024-25 as compared to ₹ 474 Crores in FY 2023-24. Despite the general levels of margin squeeze in the global chemical sector (including Phenol, largely due to economic slowdown in EU Zone and China coupled with capacity addition in China), DPL improved its Revenue and EBITDA / EBIT figures. This was primarily attributed to higher volumes, combined with gains from operating leverage and process optimization, though spread was compressed owing to higher input cost.

In terms of operational performance, DPL demonstrated remarkable resilience and bucked the global trend with impressive sales volumes. The volumes surged by 11%, providing a substantial uplift to the overall performance. This volume growth enabled DPL to set new production records for Cumene, Phenol, Acetone and IPA. DPL capitalized on high utilization rates, keeping its facility running at near-optimal capacity and harnessed operating leverage. Process optimization efforts further enhanced efficiency, allowing DPL to extract more value from its existing infrastructure. Despite the headwinds from volatile raw material costs, DPL has demonstrated resilient performance.

While demand for Phenol and Acetone grew steadily in India, driven by industrial and consumer applications, global oversupply put downward pressure on prices. DPL's ability to weather this situation highlights its competitive edge, a domestic focus that minimizes foreign exchange risks, high operational efficiency that maximizes output and a diversified product mix that balances market fluctuations. DPL continues to be favoured supplier to various end user industries like – laminates, construction, pharma, paint, adhesive, automobile, plastics etc. DPL's performance will be augmented with further downstream products slated to be manufactured by another Wholly Owned Material Subsidiary of DNL i.e. Deepak Chem Tech Limited ('DCTL'), which shall result in stronger integration and higher value creation for the Group. Notable among these are the development of MIBC (Methyl Isobutyl Carbinol) and MIBK (Methyl Isobutyl Ketone), which utilize Acetone internally to produce high-value derivatives for applications in coatings, mining, and chemical synthesis. These initiatives not only boost captive consumption but also improve profitability by shifting away from commodity-grade Acetone sales.

DPL's Dahej facility is a model of modern industrial design, characterized by a low thermal footprint and advanced automation. Its ability to produce multiple products namely Phenol, Acetone, Cumene, AMS and IPA under one roof provides flexibility and economies of scale. In FY 2024-25, DPL's focus on efficiency was evident in its record-breaking output, achieved through meticulous process enhancements and a skilled workforce.

Further, during the year under review, DPL executed a 15-year agreement with Petronet LNG for procuring 250,000 TPA of Propylene and 11,000 TPA of Hydrogen through pipeline, which will ensure a reliable, cost-effective and sustainable long term raw material availability.

As of March 31, 2025, DPL stands as a resilient and agile entity within the Group. Its ability to persistently achieve higher throughput, set production records and maintain market share amid challenging market dynamics underscores its operational strength. With downstream projects like MIBC and MIBK (being undertaken at Deepak Chem Tech Limited, a fellow subsidiary) gaining traction and infrastructure enhancements progressing, DPL is deepening its role as a value-added Phenolics producer. DPL's strategic initiatives and robust financial health with liquid investments of ₹ 780 Crores, positions it well to navigate the evolving chemical landscape, delivering consistent value to its parent company and its stakeholders.

The successful implementation of SAP S4HANA in the previous year has streamlined DPL's operations, improving inventory management, financial reporting and decision-making processes. This technological upgrade enhances transparency, efficiency and makes DPL data-driven organization.

Deepak Chem Tech Limited

Deepak Chem Tech Limited ('DCTL'), another Wholly Owned Material Subsidiary of DNL, is poised to capitalise on the thriving opportunities in the Indian chemical industry in line with the

initiative, focusing on Advanced Intermediates and Speciality Chemicals.

As was announced earlier, Deepak has been working on integrated plants to manufacture advanced plastics e.g. Polycarbonate ('PC') resins and its compounds. Towards this, DCTL obtained its Board's approval on November 13, 2024 to invest ₹ 5,000 Crores in a greenfield project to manufacture PC resins at Dahej, Gujarat. This includes infrastructure capex also needed for the facility. Accordingly, DCTL entered into agreements with Trinseo Deutschland Anlagengesellschaft mbH and Trinseo Europe GmbH for acquisition of PC manufacturing assets including all proprietary equipment, having a capacity of 165,000 Metric Tonnes and PC technology license, respectively. The PC manufacturing assets, which are presently located at Stade, Germany, will be relocated to India at Dahej and the PC manufacturing project is expected to be commissioned by the fourth quarter of FY 2027-28. The agreement also provides access to Trinseo's trademark CALIBRE™ for PC resins.

PC is amongst the most versatile engineering polymer finding extensive applications in the automotive segment including electric mobility, electronics & electrical, construction, appliances, medical devices, and other sunrise sectors such as aerospace, aviation, drones etc. Local availability of PC will be essential for growing India's manufacturing base. Domestic production, along with CALIBRE™ trademark's established credibility will support an accelerated approval cycle for new and existing consumers in India where annual imports of PC and its compounds already account for around 4,00,000 MT.

PC is a natural choice to begin the downstream integration in Phenolics value chain and aligns with Deepak's strategy to become an integrated manufacturer of PC from the basic building blocks of Benzene and Propylene.

In order to strengthen PC operations, and DCTL's commitment in building a sustainable and efficient manufacturing ecosystem, the Board of Directors recently approved to undertake project for manufacturing 300 KTA of Phenol, 185 KTA of Acetone and 100 KTA of IPA including greenfield infrastructure capex for an aggregate investment of about ₹ 3,500 Crores. Phenol is used as a key raw material in pre-cursor intermediate of Polycarbonate. This proposed capacity is over and above the existing capacities of Phenol, Acetone and IPA under DPL. The new capacities of Phenol and Acetone would be ultimately integrated to produce PC. Once the PC manufacturing project is set-up, Deepak will be one of the most integrated producer of PC from the above new capacities of Phenol and Acetone.

The Board of DCTL also approved investment of around ₹ 220 Crores to manufacture a key agrochem intermediate towards the Group's foray into Speciality Flouro Chemicals. This project is expected to be commissioned by end of the financial year.

FY 2024-25 marked a pivotal year for DCTL, characterized by large-scale investments and preparations for the commencement of multiple manufacturing units at Dahej and Nandesari. It was also the first full year of operations for DCTL, following the commissioning of BTF plant in March 2024. The year witnessed significant step in financial management and greenfield project execution. DCTL is to commission its Nitric Acid Plant at Nandesari and MIBK/MIBC and Hydrogenation/Nitration plant at Dahej starting Q2 and over Q3 FY 2025-26. Operations team for the project were onboarded in advance of plant startup.

During FY 2024-25, DCTL reported a Loss of ₹ 44.54 Crores, compared to ₹ 7.69 Crores in the previous fiscal year. The higher loss was primarily due to the early phase of operations and the significant capital expenditure incurred for infrastructure development and production readiness. Total Revenue for the year stood at ₹ 11.80 Crores, driven by the sale of BTF and Heat Treatment Powder and Other Income. Though modest, these figures represent the initial phase of commercial operations and lay a strong foundation for future revenue growth, especially as additional product lines become operational.

Consolidated

FY 2024-25 presented a dynamic operating environment characterized by global inventory destocking, geopolitical uncertainties, commodity price fluctuations, and foreign exchange volatility. These factors posed challenges to the Company's consolidated financial performance. However, Deepak's unwavering commitment to operational excellence, asset optimization, and disciplined business controls enabled it to mitigate risks effectively. Through proactive customer engagement and a strengthened market position, Deepak maintained or expanded its leadership across key product segments, capitalizing on the growing demand and India's import substitution initiatives.

Phenolics continued to be a key driver of consolidated revenue, particularly in the production of Phenol, Acetone and IPA. Strong and consistent domestic demand for Phenolics' products provided operational stability and reinforced its strategic significance within the Group. The subsidiary's performance remains closely linked to the overall growth trajectory of Deepak highlighting its role in the integrated value chain.

Despite market headwinds, the Company upheld its strong financial standing, with credit rating agencies regularly assessing its consolidated operations. While strategic capital expenditures may temporarily impact credit metrics, the Company has historically maintained a prudent financial structure with minimal debt. Its disciplined approach to financial management and judicious investments continue to support its long-term growth aspirations while ensuring financial stability.

As part of its commitment to sustained growth, significant strategic investments were made during the year. Key

initiatives included the expansion of the fluorination plant, and establishment of a state-of-the-art Research & Development centre. These investments are aligned with Deepak's vision of enhancing supply chain resilience, reducing import dependence and fostering technological advancements to maintain its competitive edge.

In terms of financial performance, the Consolidated Total Income for the year stood at ₹ 8,366 Crores, up 8% compared to ₹ 7,758 Crores in the previous year. Growth was primarily driven by the strong performance of the Phenolics segment, which benefited from higher volumes. EBITDA for the year amounted to ₹ 1,176 Crores, down 2% from ₹ 1,199 Crores in FY 2023-24, primarily due to compressed spread caused by higher input cost. However, operational efficiencies, cost optimization measures, increased volumes which contributed to overall profitability. The plant operations at DPL have been more than 165% of capacity utilisation. Essentially, in times of compressed spread, Deepak has intensified its focus on cost optimization and operational efficiency to mitigate input cost pressures and protect profitability, showing a resilient performance.

Despite industry - wide challenges such as inventory destocking and sluggish demand in certain markets, Deepak proactively expanded its customer base, explored new markets, and increased market share. High utilization levels across key business segments, particularly in Phenolics, further supported sustainable revenue growth.

Profit Before Tax (PBT) stood at ₹ 953 Crores compared to ₹ 1,022 Crores in FY 2023-24 (excluding Exceptional Item of ₹ 79.80 Crores), while Profit After Tax (PAT) was ₹ 697 Crores. Despite macroeconomic uncertainties, Deepak showed resilient performance, driven by increased turnover, high level operational efficiency, effective cost management. Geographically, Domestic Revenues stood at ₹ 6,923 Crores, while Export Revenues stood at ₹ 1,359 Crores.

Deepak continues to maintain a robust financial position, with a Consolidated Net Worth of ₹ 5,389 Crores as of March 31, 2025. Additionally, significant liquid investments further strengthen the financial resilience. To enhance operational efficiencies and streamline processes, Deepak has embarked on an extensive digital transformation journey, including SAP implementation and other enterprise solutions. These digital initiatives are expected to drive better operating decisions and improve overall performance.

Looking ahead, Deepak has outlined an ambitious project pipeline. In the first phase, it is in commissioning phase of various plants as aforementioned and in the second phase, Deepak is in the process of implementing manufacturing facilities to manufacture PC resins, Phenol-Acetone, IPA. The construction of a state-of-the-art R&D center in Vadodara further underscores dedication to innovation and global competitiveness. These initiatives are expected to position Deepak for sustained long-term growth and industry leadership.

Despite macroeconomic challenges, Deepak remains well-prepared to balance short-term market pressures with long-term strategic initiatives. Deepak's unwavering focus on innovation, operational efficiency, and financial prudence will be instrumental in navigating the evolving market landscape and delivering consistent value to stakeholders.

DECLARATION AND PAYMENT OF DIVIDEND

The Board of Directors of your Company has, considering profitability of your Company during FY 2024-25, decided to maintain the same rate of Dividend as in the previous year and hence recommended a Dividend of ₹ 7.50 (Rupees Seven and Paise Fifty only) per Equity Share of face value of ₹ 2.00 (Rupees Two only) each i.e. 375%. The Dividend on 13,63,93,041 Equity Shares, if approved by the Members at the 54th Annual General Meeting, would involve a total outgo amount of ₹ 102.29 Crores, resulting in a Dividend Payout of 37.01% of the Standalone Profit After Tax of the Company. The payment of Dividend is now subject to taxation and the Company is mandated to deduct tax at source from the dividend paid to Members, as per the rates prescribed in the Income Tax Act of 1961.

RECORD DATE

The Company has fixed Monday, August 4, 2025 as the "Record Date" for the purpose of determining the entitlement of Members to receive Dividend for FY 2024-25.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 ('Listing Regulations'), the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy, which aims to maintain balance between profit retention and a fair, sustainable and consistent distribution of profits among its Members. The said Policy is available on the Company's website and can be assessed at the link https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Dividend-Distribution-Policy.pdf.

UNCLAIMED DIVIDENDS

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 during the year ended March 31, 2025, an amount of ₹ 12,50,930/- (Rupees Twelve Lakhs Fifty Thousand Nine Hundred and Thirty only) towards unpaid / unclaimed Dividends pertaining to FY 2016-17, were transferred to the Investor Education and Protection Fund Account.

SHARE CAPITAL

The issued, subscribed and paid-up Equity Share Capital of the Company as on March 31, 2025, is ₹ 27.28 Crores, comprising of 13,63,93,041 Equity Shares of face value of ₹ 2.00 (Rupees Two only) each. The Company has not issued any Equity Shares during FY 2024-25. There was no change in the Equity Share Capital of the Company during FY 2024-25.

TRANSFER TO RESERVES

The Board of Directors do not propose to transfer any amount of Profits as appearing in the Statement of Profit and Loss of the Company for the year ended March 31, 2025 to Reserves.

FINANCE

Your Company maintains a strategic focus on achieving a balanced capital structure across its consolidated operations, emphasizing efficient working capital management while adhering to stringent criteria and maintaining a prudent level of debt. Through the implementation of enhanced working capital management practices, DNL carries a relatively small and manageable debt load given its size, for the fiscal year under review, maintaining your Company's commitment to financial prudence and operational excellence.

DNL leverages its strong credit ratings to secure cost-effective financing, reducing borrowing expenses. A skilled team manages foreign exchange exposure, ensuring currency risk mitigation and financial stability. With low net debt and solid interest coverage, the Company continues to demonstrate disciplined capital management. Thanks to proactive financial strategies, the Company has efficiently managed its cash flows.

Overall, your Company remains positioned as a formidable player in the industry, driven by a commitment to delivering high-quality products supported by a robust product mix. ICRA Limited's recent reaffirmation of your Company's strong credit ratings, including [ICRA] AA for long-term and [ICRA] A1+ for short-term ratings, underscores the confidence in your Company's financial health.

Moreover, the positive outlook provided for both DNL and its Wholly Owned Subsidiary, Deepak Phenolics Limited, reflects optimism regarding future prospects. Similarly, Deepak Chem Tech Limited was also awarded with a rating of [ICRA] A for long-term, showcasing strength of projects in the very first year.

DIRECTORS

As on March 31, 2025, your Company has twelve (12) Directors with an optimum combination of Executive and Non-Executive Directors. The Board comprises of eight (8) Non-Executive Directors, out of which six (6) are Independent Directors including one (1) woman Independent Director.

RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION

The Members of the Company at their 53rd Annual General Meeting held on August 6, 2024, approved the re-appointment of Shri Ajay C. Mehta (DIN:00028405) and Shri Meghav Mehta (DIN:05229853), who were retiring by rotation at the 53rd Annual General Meeting and being eligible had offered themselves for re-appointment, as the Non – Executive Directors, liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act'), Shri Sanjay Upadhyay (DIN:01776546) and Shri Maulik Mehta (DIN:05227290) will be retiring by rotation at the 54th Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment.

Brief resume, nature of expertise, disclosure of relationship between Directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed / re-appointed along with their shareholding in the Company, remuneration, terms and conditions of appointment etc., as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the 54th Annual General Meeting.

INDEPENDENT DIRECTORS

Shri Sanjay Asher, Smt. Purvi Sheth, Shri Dileep Choksi, Shri Punit Lalbhai, Shri Vipul Shah are Independent Directors on the Board of your Company.

Cessation

Shri Prakash Samudra (DIN:00062355) has ceased to be an Independent Director of the Company, upon his resignation due to his personal reasons. The resignation took effect from close of business hours on April 9, 2025.

Shri Sanjay Asher (DIN:00008221) and Smt. Purvi Sheth (DIN:06449636) will cease to be Independent Directors of the Company with effect from June 28, 2025, upon completion of their second term.

Appointment / Re-appointment

Shri Punit Lalbhai (DIN:05125502) and Shri Vipul Shah (DIN:00174680), Independent Directors of the Company will be completing their first term on August 7, 2025. In accordance with Part D of Schedule II of the Listing Regulations and based on the report of performance evaluation of Shri Punit Lalbhai and Shri Vipul Shah, the extension of their term of the appointment as Independent Directors of the Company, was recommended by the Nomination and Remuneration Committee.

Further, due to resignation of Shri Prakash Samudra and ensuing completion of second term by Shri Sanjay Asher and Smt. Purvi

Sheth and in accordance with Regulation 17 (1E) of Listing Regulations, your Company has obtained following approvals from Members of the Company by way of Special Resolutions passed on May 25, 2025, through Postal Ballot:

- Appointment of Dr. Arvind Nath Agrawal (DIN:00193566) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Appointment of Ms. Bhumika Batra (DIN:03502004) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Appointment of Shri Mahesh Ramchand Chhabria (DIN:00166049) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Re-appointment of Shri Punit Lalbhai (DIN:05125502) as an Independent Director of the Company for the second term of three (3) consecutive years, with effect from August 8, 2025.
- Re-appointment of Shri Vipul Shah (DIN:00174680) as an Independent Director of the Company for the second term of three (3) consecutive years, with effect from August 8, 2025.

All the Independent Directors of the Company have submitted their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Schedule IV and Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Independent Directors of the Company have confirmed that they have enrolled themselves in Independent Directors Data Bank maintained with the Indian Institute of Corporate Affairs (IICA) in terms of Section 150 of the Act read with Rule 6(2) of the Companies (Appointment & Qualification of Directors) Rules, 2014.

During the year under review, the Company had no pecuniary relationship or transactions with its Independent Directors, except for sitting fees, reimbursement of meeting related expenses, and Commission on Net Profits as approved by Members of the Company, in accordance with the Act and Listing Regulations.

In compliance with the Act, a separate meeting of Independent Directors was held on March 10, 2025, without the presence of management, to evaluate the performance of the Chairperson, Non-Independent Directors and the Board as a whole, and to assess the quality, quantity, and timeliness of information flow between management and the Board. All Independent Directors attended the said meeting.

BOARD EVALUATION AND CRITERIA FOR EVALUATION

In compliance with the Act and Listing Regulations and based on the Nomination and Remuneration Committee's recommendation, the Board adopted a Performance Evaluation Policy outlining criteria for evaluating the performance of the Board, its Committee and individual Directors, including Independent Directors. The Board has carried out an annual evaluation of its own performance, its Committee and individual Directors, based on the criteria as provided in the Performance Evaluation Policy.

At the meeting of Board of Directors held on May 28, 2025, the performance of Independent Directors was assessed by the Board excluding the Independent Director being evaluated.

Based on such evaluation, the Board is of the view that all Independent Directors are having thorough knowledge, expertise and experience in their respective areas and possess very good understanding of the Company's business and the general economic environment. They devote quality time and full attention to understand key issues relating to business of the Company and advise on the same which improved governance standards within the Company.

The criteria for evaluation of performance of Independent Directors are:

- Relevant Knowledge, Expertise and Experience.
- Devotion of time and attention to the Company's long term strategic issues.
- Addressing the most relevant issues for the Company.
- Discussing and endorsing the Company's strategy.
- Professional Conduct, Ethics and Integrity.
- Understanding of Duties, Roles and Functions as Independent Director.

Further, the Board, after soliciting inputs from Committee members, evaluated the Committees' performance and affirmed their optimal composition, comprising requisite Independent Directors and well-defined terms of reference. The Committees rigorously deliberated on critical business, operational and governance matters, offering substantive recommendations. The Directors endorsed the robustness of the evaluation process.

KEY MANAGERIAL PERSONNEL

In compliance with Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following persons are the Key Managerial Personnel of your Company:

1. Shri Deepak C. Mehta (DIN:00028377), Chairman & Managing Director
2. Shri Maulik Mehta (DIN:05227290), Executive Director & Chief Executive Officer

3. Shri Sanjay Upadhyay (DIN:01776546), Director (Finance) & Group CFO
4. Shri Girish Satarkar (DIN:00340116), Executive Director
5. Shri Somsekhar Nanda, Chief Financial Officer
6. Shri Arvind Bajpai, Company Secretary

During the year under review, there has been no change in the Key Managerial Personnel of the Company.

NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD

During FY 2024-25, four (4) meetings of the Board of Directors were held. The details of these meetings and Directors' attendance are provided in the Corporate Governance Report, which forms part of this Report. As per the requirement of the Act and Listing Regulations, the interval between two (2) meetings of Board of Directors and Audit Committee did not exceed one hundred and twenty (120) days. The composition, terms of reference, and number of meetings of the Board Committees during the year are also detailed in the Corporate Governance Report.

All recommendations made by the Committees during FY 2024-25 were duly accepted by the Board.

AUDIT COMMITTEE

The Audit Committee comprised of three (3) members and all the members are Independent Directors.

Shri Dileep Choksi is the Chairman of the Audit Committee. Shri Sanjay Asher and Shri Vipul Shah are members of the Committee. During the year under review, four (4) meetings of the Audit Committee were held.

The purpose of Audit Committee is to oversee the accounting and financial reporting process of the Company, the audits of the Company's Financial Statements and the appointment, independence and performance of the Statutory Auditors, Secretarial Auditors and the Internal Auditors.

The terms of reference of the Audit Committee, details of meetings held during the year and attendance of members of the Audit Committee are provided in the Corporate Governance Report, which forms part of this Report.

There were no instances where the recommendations of the Audit Committee were not accepted by the Board.

AUDITORS OF THE COMPANY:

a) STATUTORY AUDITORS:

Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.: 117366W/ W-100018) were re-appointed as Statutory Auditors of your Company at the 51st Annual General Meeting of the Company held on August 3, 2022, to hold office as the Statutory Auditors for a second term of five (5) consecutive years from the conclusion of 51st Annual General Meeting upto the conclusion of 56th Annual General Meeting of the Company to be held in the FY 2027-28.

During the year, the Statutory Auditors have confirmed that they are not disqualified from being continued as the Statutory Auditors of the Company and satisfy the prescribed eligibility Criteria.

b) SECRETARIAL AUDITORS:

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board of Directors at their meeting held on May 28, 2025, have recommended to the Members of the Company for their approval, the appointment of KANJ & Co. LLP, Company Secretaries, (Firm Registration No. P2000MH005900 and having Peer Review No. 6309/2024) as Secretarial Auditors of the Company for a term of five (5) consecutive years, to carry out the Secretarial Audit of your Company from FY 2025-26 to FY 2029-30.

KANJ & Co. LLP, Company Secretaries have confirmed that they are not disqualified from being appointed as the Secretarial Auditors of the Company and satisfy the prescribed eligible criteria.

The above proposal and related information forms part of the Notice convening 54th Annual General Meeting of the Company.

c) COST AUDITORS:

The Company is required to prepare, maintain and have its cost records audited by a Cost Accountant as per Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

The Board of Directors, at their meeting held on May 28, 2025, on the recommendation of the Audit Committee, has re-appointed B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219) as the Cost Auditors of your Company for FY 2025-26 at a remuneration of ₹ 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) plus applicable taxes and out of pocket expenses. B. M. Sharma & Co., Cost Accountants being eligible, have consented to act as Cost Auditors of the Company.

As required under provisions of the Act, the remuneration of Cost Auditors as approved by the Board of Directors is subject to ratification by the Members at the 54th Annual General Meeting of the Company. An Ordinary Resolution for the ratification of remuneration of Cost Auditors for FY 2025-26 is

provided in the Notice convening 54th Annual General Meeting for approval by the Members. Your Directors recommend the same for approval by the Members.

The Cost Auditors have confirmed that they are not disqualified from being appointed as the Cost Auditors of the Company and satisfy the prescribed eligiblity criteria.

The Cost Audit Report for FY 2024-25 will be filed within the prescribed period of 180 days from the end of the Financial Year.

d) INTERNAL AUDITORS

Based on the recommendation of Audit Committee, the Board of Directors, at their meeting held on May 28, 2025, re-appointed Sharp & Tannan Associates, Chartered Accountants, (Firm Registration No. 109983W) as Internal Auditors to conduct the Internal Audit for FY 2025-26. The Internal Auditors present their findings and status updates to the Audit Committee on a quarterly basis.

AUDITORS' REPORT

a) STATUTORY AUDITOR'S REPORT

The observations made in the Statutory Auditor's Report of Deloitte Haskins & Sells LLP, Chartered Accountants, for the year ended March 31, 2025, read together with relevant notes thereon are self- explanatory and hence do not call for any comments.

There was no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their Report. For FY 2024-25, the Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(a) of the Act is not applicable.

b) SECRETARIAL AUDITOR'S REPORT

The Secretarial Audit Report of KANJ & Co. LLP, Company Secretaries, Pune, for the year ended March 31, 2025 in Form MR-3 is annexed as Annexure - A, which forms part of this Report.

The Secretarial Audit Report and the Secretarial Compliance Report for FY 2024-25, does not contain any qualification, reservation or adverse remark. During FY 2024-25, the Secretarial Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3) (a) of the Act is not applicable.

c) SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARY COMPANIES

In accordance with Regulation 24(1) of the Listing Regulations, the Secretarial Audit Report of Deepak Phenolics Limited ('DPL'), a material unlisted Wholly Owned Subsidiary, has been annexed to this Report as Annexure-B as per Listing Regulations. The Secretarial Audit of DPL for the year ended March 31, 2025 was conducted by Samdani Shah & Kabra, Company Secretaries, Vadodara, (Firm Registration No. P2008GJ016300). The Secretarial Audit Report confirms that DPL has complied with all applicable provisions of the Act, Rules, Regulations, and Guidelines, with no instances of deviation or non-compliance. The said Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial Audit of Deepak Chem Tech Limited ('DCTL'), another Wholly Owned Material Subsidiary, was conducted by Samdani Shah & Kabra Associates, Vadodara (Firm Registration No. P2008GJ016300), for the year ended March 31, 2025. The Secretarial Audit Report confirms DCTL's compliance with the provisions of the Act, Rules, Regulations, and Guidelines, with no instances of deviation or non-compliance. In line with the Listing Regulations, the Secretarial Audit Report of DCTL is annexed to this Report as Annexure-C. The said Report does not contain any qualification, reservation, adverse remark or disclaimer.

d) Cost Audit Report

The Cost Audit Report issued by B. M. Sharma & Co., Cost Accountants, does not contain any qualification, reservation, adverse remark or disclaimer. During FY 2024-25, the Cost Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(a) of the Act is not applicable.

RISK MANAGEMENT

The core objective of your Company's Risk Management framework is to:

- Enhance value creation in an evolving and uncertain business landscape.
- Strengthen corporate governance and promote a culture of risk awareness.
- Proactively address stakeholder expectations through a structured Risk Assessment process.
- Improve organizational resilience and drive long-term sustainable growth.

Pursuant to Regulation 21 of the Listing Regulations, your Company has a duly constituted Risk Management Committee that operates under the guidance of the Board of Directors. The Risk Management Committee monitors the risks and their mitigation actions as well as formulating strategies towards identifying new and emerging risks. Further, the Board is apprised of any actual/emerging risk that may threaten or impact the long-term plans of the Company.

Your Company has established a comprehensive Enterprise Risk Management framework and policy that seeks to minimise the adverse impact on business objectives, capitalise on opportunities and is consistently applied across the organization. This framework aligns with internationally recognized best practices, including COSO and ISO 31000, and has been tailored to suit your Company's business environment. It encompasses a broad spectrum of risks -related to strategic, business, operations, financial, compliance and reputation, each of which may have internal and external dimensions. Hence, appropriate risk indicators are used to identify these risks. Your Company leverage key risk indicators to proactively identify and assess potential threats, ensuring that risk responses consider the interests of all critical stakeholders.

To further strengthen governance, the Chief Financial Officer of the Company also serves as the Chief Risk Officer and is responsible for identifying, measuring, monitoring, mitigating, and reporting risk exposures to the Risk Management Committee.

Your Company uphold a balanced risk appetite, enabling it to pursue growth while maintaining strong risk controls. Its approach is driven by a commitment to environmental and social responsibility, ethical governance, regulatory compliance, agility in innovation, operational resilience and financial prudence.

Further details on the Risk Management Committee and its role are provided in the Corporate Governance Report, which forms part of this Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a robust Internal Control system, aligned with the requirements of Section 134(5)(e) of the Act, designed to match the scale, complexity, and operational needs of the business. The Audit Committee, composed of professionally qualified Directors, plays a pivotal role in ensuring the integrity of financial and operational controls. It actively engages with the Statutory Auditors, Internal Auditors and Management to oversee and strengthen the Internal Control environment.

A comprehensive and well-structured Internal Control framework is implemented that ensures:

- Authorization, accuracy, and accountability in financial transactions.
- Proper recording and reporting of financial data.
- Protection of assets from unauthorized use or misappropriation.
- Implementation of operational and fraud risk controls across all financial processes.

Internal Financial Control Framework

The Internal Financial Control ('IFC') framework is structured to strengthen financial governance and ensure the accuracy and reliability of financial and operational reporting, in line with the requirements of Section 134(5)(e) and Schedule IV and other relevant provisions of the Act and Listing Regulations. This includes:

- Documented policies, guidelines, and procedures for effective financial management.
- Identification and assessment of key financial risks and controls across all critical processes.
- Robust and continuous internal monitoring mechanisms
- Independent validation by Internal Auditors to assess the efficiency of IFC mechanism.
- Standard Operating Procedures, policies and authorities to guide the operations of business.

The Statutory Auditors' Report includes an independent assessment of the Company's Internal Financial Controls over Financial Reporting, reinforcing transparency and accountability.

To uphold objectivity and independence, the Internal Auditor reports directly to the Chairperson of the Audit Committee.

The Audit Committee defines the scope and authority of the Internal Auditor, ensuring:

- Ongoing monitoring and evaluation of Internal Control systems.
- Compliance with operating procedures, accounting policies and regulatory requirements across all Company locations and its subsidiaries.
- Identification of process gaps and implementation of corrective actions to strengthen Internal Controls.
- Scrutiny and approval of Related Party Transactions to ensure fairness and transparency.

Internal audit findings are reviewed and process owners take corrective measures in their respective areas to enhance control mechanisms. Significant audit observations and corrective actions are periodically reported to the Audit Committee for review and strategic oversight.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Pursuant to provisions of Section 177(9) of the Act, read with Regulation 22(1) of the Listing Regulations, your Company has adopted a Whistle Blower Policy ('Policy'), to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, including actual or suspected leak of

unpublished price sensitive information, actual or suspected fraud or violation of the Company's Code of Conduct.

The Policy provides for adequate safeguards against victimization of employees and also provides direct access to the Chairman of the Audit Committee in certain cases. It is affirmed that no personnel of the Company was denied access to the Audit Committee.

The Whistle Blower Policy is available on the Company's website at https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Whistle-Blower-Policy.pdf.

DEPOSITS FROM PUBLIC

No deposits were accepted from the public during the year ended March 31, 2025 and no amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2025.

RELATED PARTY TRANSACTIONS

Your Company has a well-defined process of identification of Related Parties including transactions with Related Parties, its approval and review process.

The Board of Directors has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions ('RPT Policy') that defines material modifications to Related Party Transactions and includes clear threshold limits. The RPT Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all the transactions between the Company and its Related Parties. During the year, the Board of Directors at their meeting held on February 13, 2025 reviewed and amended the RPT Policy as required under Regulation 23 of the Listing Regulations. The RPT Policy can be accessed on the Company's website at www.godeepak.com.

During FY 2024-25, all Related Party Transactions entered by the Company with Related Parties (including any material modifications thereof), were on an arm's length basis and most of such transactions were in the ordinary course of business and were carried out with prior approval of the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions. All Related Party Transactions that were approved by the Audit Committee were reviewed by the Committee on quarterly basis.

All Related Party Transactions are also subjected to independent review by the Internal Auditors of the Company to ensure compliance with the requirement of Related Party Transactions under the Act and Listing Regulations.

During FY 2024-25, there was no material significant Related Party Transactions entered into by the Company and hence, no information is required to be provided as prescribed under Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2. Details of Related Party Transactions entered into by the Company, have been disclosed in the Notes to the Standalone and Consolidated Financial Statements, which forms part of this Integrated Report.

As required under the provisions of Listing Regulations, the Company submits details of all Related Party Transactions in the prescribed format to the Stock Exchanges on a half-yearly basis.

SUBSIDIARY / ASSOCIATE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to approval granted by the Board of Directors on May 20, 2024, your Company completed the acquisition of 10,000 Equity Shares of ₹ 10/- each of OXOC Chemicals Limited on August 9, 2024, for a total consideration of ₹ 1,00,000/-, thereby making it a Wholly Owned Subsidiary of your Company. The main object of OXOC Chemicals Limited include manufacturing of Polycarbonate ('PC') resins and compounds. This acquisition was with a view to expedite Deepak's foray into PC compounding business. Subsequently, the name of OXOC Chemicals Limited was changed to Deepak Advanced Materials Limited ('DAML') with effect from November 18, 2024. DAML is producing PC compounds at its facility in Savli, Vadodara, Gujarat, for electronic and mobility sectors.

Further, Deepak Chem Tech Limited, a material Wholly Owned Subsidiary of the Company, entered into a Share Purchase Agreement on May 31, 2024 and acquired 1,49,10,070 Equity Shares of ₹ 10/- each, representing 100% of paid-up Equity Share Capital, from the shareholders of Narmada Thermal Power Private Limited ('NTPPL'), for a total consideration of ₹ 61.65 Crores. Consequently, NTPPL became step down Wholly Owned Subsidiary of your Company. NTPPL is not carrying on any business however, it has an industrial land admeasuring about 125 acres, which would be at disposal of Deepak for setting up future projects.

As on March 31, 2025, your Company has following seven (7) subsidiaries:

- Deepak Phenolics Limited
- Deepak Chem Tech Limited
- Deepak Advanced Materials Limited
- Deepak PMC Limited
- Narmada Thermal Power Private Limited
- Deepak Nitrite Corporation Inc.
- Deepak Oman Industries (SFZ) LLC

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Director's Report has been prepared on a Standalone basis. Pursuant to requirement of Section 136 of the Act, which has exempted companies from attaching the financial statements of the subsidiary companies along with the Annual Report of the company, your Company will make available the Annual Financial Statements of subsidiary companies and the related detailed information to any Member of the Company on receipt of a written request from them at the Registered Office of the Company. The Annual Financial Statements of subsidiary companies will also be kept open for inspection at the Registered Office of the Company on any working day during business hours. These are also available on the website of your Company at www.godeepak.com. The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

There was no company which has ceased to be subsidiary or associate of your Company during the year ended March 31, 2025.

Your Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the Listing Regulations duly approved by the Board of Directors and can be accessed on the Company's website at www.godeepak.com.

PERFORMANCE OF SUBSIDIARIES

(a) Deepak Phenolics Limited

Deepak Phenolics Limited ('DPL'), is a Wholly Owned Material Subsidiary of your Company. DPL is engaged in the business of manufacturing Phenol, Acetone, Cumene, Alpha Methyl Styrene and Iso Propyl Alcohol at its state-of-the-art facility at Dahej in the state of Gujarat. The detailed performance of DPL is provided under the section Performance Review of this Report.

(b) Deepak Chem Tech Limited

Deepak Chem Tech Limited ('DCTL'), a Wholly Owned Material Subsidiary of your Company is implementing projects for manufacturing various intermediate chemical products. The detailed performance of DCTL is provided under the section Performance Review of this Report.

During the year under review, additional investments of ₹ 383.50 Crores were made in DCTL by your Company and the paid-up Share Capital of DCTL as at March 31, 2025 was ₹ 923 Crores divided into 49,95,00,000 Equity Shares of ₹ 10/- each and 4,23,50,000 Preference Shares of ₹ 100/- each.

(c) Deepak Advanced Materials Limited

Deepak Advanced Materials Limited (formerly known as OXOC Chemicals Limited) ('DAML'), incorporated on February 5, 2024, became Wholly Owned Subsidiary of the Company on August 9, 2024. DAML is engaged in business of manufacturing Polycarbonate compounds at Savli, Vadodara, Gujarat.

During the year under review, additional investments of ₹ 34.50 Crores were made in DAML by your Company and the paid-up Equity Share Capital of DAML as at March 31, 2025 was ₹ 34.51 Crores divided into 3,45,10,000 Equity Shares of ₹ 10/- each.

During FY 2024-25, the Total Income of DAML was ₹ 7.39 Crores with Loss before Tax of ₹ 8.38 Crores.

(d) Deepak PMC Limited

Deepak PMC Limited ('DPMCL') was incorporated on December 2, 2023 as a Wholly Owned Subsidiary of your Company. This subsidiary has been incorporated inter alia to provide Project Engineering, Procurement, Construction, Commissioning, Management and Consultancy Services. The paid-up Equity Share Capital of DPMCL as on March 31, 2025 was ₹ 5 Crores. During FY 2024-25, the Total Income of DPMCL was ₹ 8.61 Crores with Profit of ₹ 0.53 Crores.

(e) Narmada Thermal Power Private Limited

During FY 2024-25, Deepak Chem Tech Limited, a Wholly Owned Material Subsidiary of your Company, acquired 100% of paid-up Equity Share Capital of Narmada Thermal Power Private Limited ('NTPPL'). Consequently, NTPPL became Wholly Owned (Step down subsidiary) of your Company. The paid-up Equity Share Capital of NTPPL is ₹ 14.91 Crores divided into 1,49,10,070 Equity Shares of ₹ 10/- each.

At present, NTPPL is not carrying on any business.

(f) Deepak Nitrite Corporation Inc. (USA)

Deepak Nitrite Corporation Inc. ('DNC') is a Wholly Owned Subsidiary based in the United States. DNC was established to support your Company's marketing needs in North and South America. During FY 2024-25, DNC generated Total Revenue of USD 15,708 and achieved a Net Income of USD 597.

(g) Deepak Oman Industries (SFZ) LLC

Deepak Oman Industries (SFZ) LLC ('DOIL'), incorporated in Oman, became subsidiary of your Company during FY 2023-24 by acquiring 51% of Equity Share Capital of DOIL. DOIL is setting up a greenfield project to manufacture Sodium Nitrite, Sodium Nitrate, in Salalah Free Zone, Sultanate of Oman which benefits from low-cost inputs of raw materials and energy and plans to serve global customers. During FY 2024-25, DOIL generated Total Income of Omani Riyal 16,598 and achieved a Net Profit of Omani Riyal 13,348.

During FY 2024-25, your Company executed a Deed of Guarantee on October 23, 2024 in favour of Export Import

Bank of India for securing the Term Loan of USD 49 million and also to cover interest and other charges thereon.

The Audited Consolidated Financial Statements of the Company for the year ended March 31, 2025 together with the Auditor's Report, constitute part of this Annual Report in compliance with the provisions of the Act, Regulation 33 of the Listing Regulations and relevant Accounting Standards. Additionally, Form No. AOC- I, detailing the salient features of the Company's subsidiary companies, is attached to the Financial Statements.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of loans given, investments made, guarantees given and securities provided during FY 2024-25 in accordance with the provisions of Section 186 of the Act are provided in the Standalone Financial Statements.

EMPLOYEE STOCK OPTION SCHEME

"Deepak Nitrite Limited Employee Stock Option Scheme 2024" ('Scheme') was approved by the Board of Directors at their meeting held on February 13, 2024. Subsequently, it was approved by Members of the Company by way of Special Resolution passed through Postal Ballot on April 19, 2024. Under the Scheme, the employees of the subsidiary companies of the Company are also eligible to participate.

No options were granted to the eligible employees under the Scheme during FY 2024-25.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of your Company since the close of the Financial Year i.e. since March 31, 2025 and the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of your Company.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Companies Act, 2013 read with Investor Education and Protection Fund [IEPF] Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the unpaid or unclaimed dividend and shares in respect of which dividend are unpaid or unclaimed for a period of seven consecutive years or more to IEPF. Accordingly, the Company has transferred the unclaimed dividend of ₹ 12,50,930/- pertaining to FY 2016-17 which remained unclaimed for seven consecutive years and the corresponding 62,276 shares to the IEPF authority. Dividend for FY 2023-24 on shares held by IEPF authority amounting to ₹ 39,04,019/- was also transferred to IEPF.

DIRECTORS' RESPONSIBILITY STATEMENT

The Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) and based on the framework of Internal Financial Controls established and maintained by the Company, work performed by the Internal, Statutory, Secretarial and Cost Auditors and external agencies including audit of Internal Financial Controls over Financial Reporting by the Statutory Auditors and reviews performed by the management and relevant Board Committees, including Audit Committee, the Board is of the opinion that your Company's Internal Financial Controls were adequate and effective during FY 2024-25.

Pursuant to Section 134(5) of Act, the Board of Directors, to the best of their knowledge and ability confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;

b) it has selected such accounting policies and applied them consistently and made judgements 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) it has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) it has prepared the annual accounts on a going concern basis;

e) it has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) it has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were in place, are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company ensures that it evolves and follows the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value, but also to respect rights of the minority.

Our corporate governance practices are a reflection of our value system emcompassing our culture, policies and relationships with our stakeholders. The Company adheres to the corporate governance requirement set out by Securities and Exchange Board of India and considers the same as its inherent responsibility to disclose timely and accurate information to its stakeholders

regarding its operations, performance, leadership and governance of the Company.

A Certificate by the Chief Executive Officer and the Chief Financial Officer of the Company in terms of Listing Regulations, inter alia confirming the correctness of the Financial Statements are placed before the Audit Committee and Board of Directors of the Company on quarterly basis.

A separate Report on Corporate Governance is provided together with a Certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations, which forms part of the Annual Report.

LEGAL COMPLIANCE MANAGEMENT TOOL

The Company has in place, an online legal compliance management tool, for monitoring the compliances across its various plants and offices which has been devised to ensure compliance with all applicable laws that impact the Company's business. System-based alerts are generated until the user successfully submits the compliances, with provision for escalation to the higher-ups in the hierarchy. The compliance owners certify the compliance status which is reviewed by compliance approvers and a consolidated dashboard is presented to the respective functional heads and the Compliance Officer. A certificate by Key Managerial Personnel of your Company regarding compliance of all applicable laws and regulations is placed before the Board of Directors of your Company on a quarterly basis.s

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report ('BRSR') annexed to this Report, follows the National Guidelines on Responsible Business Conduct ('NGRBC') principles on the social, environmental and economic responsibilities of business.

In accordance with Regulation 34(2)(f) of the Listing Regulations as amended from time to time, BRSR forms part of this Integrated Annual Report. The BRSR describes initiatives undertaken by the Company from an environmental, social and governance perspective. Further, the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CFD- SEC-2/P/CIR/2023/122 dated July 12, 2023, updated the format of BRSR to incorporate BRSR Core, a subset of BRSR, indicating specific Key Performance Indicators ('KPIs') under nine ESG attributes which are subject to assurance/assessment by an Independent assurance/assessment provider, by top 250 listed entities by market capitalization for FY 2024-25.

For FY 2024-25, the Company has appointed Bureau Veritas India Private Limited as the assurance provider. The BRSR is attached to the Director's Report as Annexure - D.

INTEGRATED REPORTING

The Integrated Report of the Company is prepared in accordance with the International Integrated Reporting (<IR>) framework published by the Value Reporting Foundation ('VRF') which reflects the integrated thinking of the Company and its approach to its value creation. This information enable the Members to take well-informed decisions and have a better understanding of the Company's long-term perspective. This also includes five forms of capital viz. Financial Capital, Human Capital, Intellectual Capital, Social Capital and Natural Capital. This Integrated Report aims to provide a holistic view of the Company's strategy, governance and performance and how they work together to create value over the short, medium and long term for its stakeholders.

The narrative section of the Integrated Report is guided by the <IR> framework outlined by the International Integrated Reporting Council (IIRC). The Integrated Report is a part of this Annual Report, which provides a clear, concise and comprehensive vision of the Company's business model.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as specified in Regulation 34(2)(e) read with Schedule V of Listing Regulations, with detailed review of the operations, performance and future outlook of the Company and its business forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is having duly constituted Corporate Social Responsibility ('CSR') Committee comprised of four (4) members out of which, two (2) are Independent Directors.

The details about CSR Committee, its Terms of Reference, meetings held and attendance of members are provided in the Corporate Governance Report. There have been no instances during the year where recommendations of the CSR Committee were not accepted by the Board.

Your Company has also in place a CSR policy duly approved by the Board of Directors that provides guidelines for conducting its CSR activities and can be accessed at Company's website at https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Corporate-Social-Responsibility-Policy.pdf.

During FY 2024-25, your Company has spent ₹ 11.94 Crores on CSR activities, as against the statutory obligation of ₹ 11.30 Crores towards CSR activities, being 2% of average of the net profits for the preceding three (3) years as per requirement under Section 135(5) of the Act. It can be observed that your Company has spent an excess amount of ₹ 0.64 Crores during FY 2024-25 on the CSR activities undertaken in accordance with the CSR Policy of the Company. This excess amount can be set off against CSR obligation

of succeeding three (3) Financial Years i.e. FY 2025-26, 2026-27 and 2027-28.

Your Company has been undertaking CSR initiatives directly as well as through Deepak Foundation, which is the Group's CSR arm and also through various other benevolent organisations, focusing on social interventions in areas like health, education and livelihood. Over the years, your Company's focus has been in ensuring the overall betterment of communities around its manufacturing facilities and even beyond.

The CSR activities of your Company have made a significant positive impact on society, particularly in the areas of healthcare, education, skills development, environment, sustainability and women's empowerment etc.

Your Company has undertaken several CSR projects which aim to reach to the last mile and cater to the people in need. These initiatives have aided in uplifting the quality of life of communities and has resulted in better living conditions.

Brief about CSR activities undertaken by your Company during FY 2024-25, broadly categorised in areas of Healthcare, Education and livelihood enhancement are as follows:

Healthcare:

Deepak Medical Foundation ('DMF') Hospital in Nandesari is one of the largest hospitals serving the communities in and around Nandesari for medical care and treatment 24/7 since last 4 decades. DMF started as a mother and child clinic (MCH Unit) and now has evolved into a full-fledged 28 bedded multispecialty hospital. It includes 10 bedded ICU services, 24x7 Casualty, OPD, IPD, and other specialty OPD of Gynaecology and Obstetrics, Paediatrics, Psychiatric, General Surgeon, Dental and round the clock Medical Officer along with the experienced and well-trained nursing staff and para-medical staff. A fully equipped diagnostic and pharmacy centre is also available at the hospital with a very nominal rate keeping into consideration the economic status of the population in the area. It also undertakes outreach and health promotion activities to help promote preventive health behaviour in worker communities in Nandesari Industrial Area.

Mobile Health Units ('MHUs') have ensured provision of healthcare services at people's doorstep covering Primary Healthcare, Adolescent Health, Child Nutrition and Health Awareness counselling. MHUs have improved health of the target population greatly with visible improvements like haemoglobin levels in adolescents through anaemia management, reduced undernutrition in enrolled children, improved hygiene, breastfeeding and safe motherhood practices through thematic sessions.

The Palliative Care Services project has helped the people coming from all over the country for dignified treatment while fighting with serious illness like cancer. The Laboratory and Diagnostic Services at Dahej region have helped the local population in getting diagnosis on time.

Swasthya Sakhi, Women Centric Health Services Project focuses on Women's Reproductive Health, Maternal and Child Health, Nutrition, Preventive Healthcare in Dahej area.

Education:

The Integrated Child Development Scheme ('ICDS') offers a package of services comprising of supplementary nutrition, immunization, health checkups, referral services, non-formal preschool education, and nutrition and health education. The initiative aims to promote learning in a conducive environment and holistic development of the children. Under the project, various sessions were conducted for parent counselling, health screening, uniform distribution and school readiness assessment. Your Company also completed renovation and digitalisation of five (5) Anganwadi Centres. The Smart Class setup has helped the children in learning digitally and has opened several avenues for students to widen their horizon for modern educational techniques.

Science, Technology, English and Mathematics ('STEM') classes have enabled the students at primary schools to get hands on experience in science and maths subjects and has improved school results. The Remedial Classes helped the children who need special attention while studying in strengthening their base and has helped them in improving their grades and confidence.

The Mobile Library project provides the students an opportunity to venture in the world of literature other than their curriculum which help in improving their cognitive abilities. The program includes making available, age and grade-appropriate library books, reading and learning material to children at their doorsteps, "Read Aloud" storytelling sessions, remedial inputs sessions (Language, mathematics and basic English) along with workbooks practice. The program also includes capacity building of community-based women as Vidya Sathis to support the children not only with their daily schoolwork but also keep their parents updated regarding their child's progress. The Mobile Library Project has improved children's attendance, increased their interest in reading and enhanced foundational literacy and numeracy skills.

Your Company also provide contribution to technology business incubators through Atal Innovation Centre ('AIC') Indian Institute of Science Education and Research ('IISER') Pune SEED Foundation ('AIC-SEED'). AIC-SEED is supported by the Atal Innovation Mission, NITI Aayog, Government of India. AIC-SEED's objective is to stimulate and encourage the growth of deep science-based startup companies by providing an enabling eco-system in an academic and knowledge driven research environment.

Livelihood improvement:

Project Sangaath aims to empower people by identification of Government Scheme that they are eligible for, helping them obtain 'Pre-Requisite Documents' for enrolment to the identified Government Scheme and facilitate their registration to avail benefits of various government schemes, which they are entitled to. Project Sangaath has impacted the lives of lakhs of underprivileged community members by providing them the benefits of various schemes.

The Project Jal Sanchay Yojana includes water harvesting, micro-irrigation and integrated farming practices with a focus to improve agricultural productivity, ensure water availability and enhance rural livelihoods. The Project on cattle health has benefitted the communities in yielding maximum benefits and has also educated them in maintaining the cattle health.

Your Company also supported SVADES (Society for Village Development in Petrochemicals Area) which is a collective endeavour that binds the industry and rural community together towards effective socioeconomic development in the rural areas of surrounding industries at Nandesari.

The efforts of your Company have immensely influenced the income of the beneficiaries' households and has improved their standard of living.

The Report on Corporate Social Responsibility is annexed as Annexure – E and is also available on the Company's website on www.godeepak.com.

NOMINATION AND REMUNERATION POLICY

Your Company has adopted a Nomination and Remuneration Policy for the appointment and remuneration of Directors, Key Managerial Personnel and other employees of the Company.

The Nomination and Remuneration Policy includes the criteria for determining qualification, positive attributes, independence of Directors and other matters as required under Section 178(3) of the Act and is annexed as Annexure – F. The Nomination and Remuneration Policy is also available on the Company's website on www.godeepak.com.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') are annexed to this Report as Annexure - G.

The statement containing particulars of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) and 5(3) of the Rules forms part of this Report. However, in accordance with the provisions of the second proviso to Section 136(1) of the Act, the Annual Report is being sent to the Members of the Company excluding the aforesaid statement.

The aforesaid information is available for inspection by the Members upto the date of the 54th Annual General Meeting on all working days, except Saturdays and Sundays, during working hours at the Registered Office of the Company. Any Member interested in obtaining such information may write to the Company Secretary at investor@godeepak.com.

ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act, read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT - 7 for the Financial Year ended March 31, 2025, is available on the Company's website at www.godeepak.com.

The Annual Return shall be filed with the Ministry of Corporate Affairs, within the prescribed timelines.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is committed towards conservation of energy and climate action. The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required to be disclosed pursuant to the provisions of Section 134 of the Act read with the Companies (Accounts) Rules, 2014 are provided in Annexure - H forming part of this Report.

STATE OF COMPANY'S AFFAIRS

The state of your Company's affairs is given under the heading 'Performance Review' and various other headings in this Report and in the Management Discussion and Analysis, which forms part of the Annual Report.

SIGNIFICANT OR MATERIAL ORDERS PASSED AGAINST THE COMPANY

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India, with respect to meetings of Board and its Committees and General Meetings, respectively. The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by The Institute of Company Secretaries of India, as amended and such systems were adequate and operating effectively.

RESEARCH & DEVELOPMENT

Your Company's innovation infrastructure consists of centralised Research and Development ('R&D') facility, Deepak Research and Development Centre ('DRDC') at Nandesari, Gujarat. DRDC has been approved by the Department of Scientific & Industrial Research, Government of India since 1977 and is ISO certified. It has a dedicated team of 100+ professionals, working on various molecules and chemicals which are under patenting process. Your Company has cumulatively filed around 77 patent applications, and 22 patents have already been granted. Your Company's R&D facility is crucial to its success with its ability to develop advanced intermediates which requires complex chemistry and engineering.

The R&D facility is equipped with the modern instruments and equipment for developing cutting edge technology. The Company's R&D team comprises of highly qualified and experienced team members, who bring in the best practises in the industry.

The R&D remain focussed on:

- New product development
- New technology platform development
- Improvement of productivity as well as yield and quality in existing products
- Improved inhouse data management system.
- Reduction in water, waste, energy etc. and using green technology, wherever possible.

DRDC also houses a state-of-the-art Process Engineering Lab, Kilo lab and Process Intensification Lab, Dedicated environment lab etc. Mentioned setups help in generating scale-up related data for all the products, which are developed in DRDC. The speed of lab scale development is increased with the application of Design of Experiments methodology, using a specialised software for screening as well as optimisation. Literature search platforms like Scifinder, Reaxys etc. are in regular use.

To aid in new technology platforms and continuous process development, your Company has invested in flow reactor, flow meters etc. under Process Engineering Research & Innovation (PERI).

Analytical Team plays a crucial role in supporting synthetic chemistry at every stage of the product/ process development. The team is strengthened by inducting skilled man-power and analytical tools such as Gas Chromatography (GC), Gas chromatography-headspace (GC-HS), Gas Chromatography/Mass Spectrometry (GCMS), High Performance Liquid Chromatography (HPLC), Liquid Chromatography/Mass Spectrometry (LCMS), Ultra Performance Liquid Chromatography (UPLC) and Ion Chromatography (IC), UV, IR etc. Analytical lab also takes help from third party analytical labs for generating data (like PSD, S-analysis, NMR etc.) for which DRDC currently does not have the facilities.

Inhouse environment lab dedicated for developing waste treatment methodology for new process and products as well as explore waste valorization opportunities to promote sustainable practice and minimise environmental impacts.

Process Safety Activities

DRDC has a dedicated process safety team, which analyses the chemical processes for their safe operations based on in-house Accelerated Reaction Calorimeter (ARC), Differential Scanning Calorimeter (DSC), Reaction Calorimeter with gas evolution analysis (RC). Also, the team takes help from third party labs for other safety data generation e.g. powder safety data.

Technology

Your Company's R&D team is working on various new technology platform developments such as Fluorination and Photo Chlorination chemistries, high pressure Oxidation Reactions (both chemical and catalytic) and Gas Solid Reactions, Plug flow reactions, NOx reactions etc. A pilot facility for Vapor Phase Process has also been installed.

Lab scale Continuous Stirred Tank Reactor (CSTR) set-ups are used for converting batch mode reactions into continuous mode to achieve better yield, quality, better throughput, reduction in the cost of operations, along with increasing the safety norms of the process. Lab scale parallel synthesizer for fast screening of process parameters to speedup process development activity.Mini pilot scale equipment like centrifuge, nudge filter, pilodist for generating distillation data as well as parallel pressure reactor set of special MOC for catalyst screening are in regular use.

State-of-the-art pilot plants

Your Company is having two state-of-the-art pilot facilities, one each at Roha, Maharashtra and Nandesari, Gujarat. The pilot plants act as link between R&D and commercial production of various intermediates used in Agrochemicals, Dyes, Pharmaceuticals etc., thereby allowing your Company to deliver quality products seamlessly. The pilot facility boasts of stainless steel and glass lined reactors along with distillation columns, handling systems for gas and liquid raw materials. The pilot facilities are fully-equipped with advanced instruments, Distributed Control system (DCS) and utilities like brine, low pressure steam, cooling water, – etc.

Development of idea to plant process (ITP)

The Technical Organisation is responsible for generating ideas, developing sustainable processes and moving them to commercial production. The team conducts critical review of the process from idea generation to technical development to production (ITP process). The activities are mapped, and relevant documents are formalised. The ITP project is targeted to finalize the technical

process, the infrastructure required and supporting documents. This also include in-depth safety analysis reports for the chemicals and the processes.

The overall ITP process flow includes:

- Idea collection and assessment of right-to-win.
- Responsible team identification
- Responsibility matrix assignment
- R&D process to finalize the route of synthesis and/or processes
- Process optimization
- Technology transfer including Basic Engineering Package (BEP) and all relevant documents (LDR, TTR1 and TD).
- Developed inhouse revised version of digital archive to enable more secure data management of ongoing process development and technology transfer document.
- A highly secure web-based suite of tools has been deployed to manage all data of ITP. The system stores data in a structured format making it searchable. It also prevents knowledge loss while controlling information flow.

Benefits of ideas to plant trials

- Documentation of the Lab Records are all digitized and in the on-line mode.
  - Specific formats designed to extract data/information.
  - Reports and presentations are created by the system through aggregation.
  - Ensures data integrity, data security and data traceability.
  - Helps in significant reduction of time spent by scientists in making reports for reviews.
- Making fortnightly reports which reduce the time of technical reviews.
- Complete audit trail and traceability.

Training of technical team

Workshops on process safety and scale up, DoE, ASPEN, Flow Chemistry etc. were organised. The participants came from cross functional teams across Deepak. These workshops introduced the salient feature of the process scale-up and process safety enhancing the competency of participants.

NEW R&D CENTRE AT SAVLI, VADODARA

Your Company is also building a new state-of-the-art Research & Development Centre in Savli, Vadodara. The new R&D centre is expected to be operational soon.

SAFETY, HEALTH & ENVIRONMENT (SHE) COMMITMENT

Your Company is deeply committed in ensuring Safety, Health, and Environment (SHE) across all its manufacturing processes, products and services. This commitment begins at the conceptualization stage, where efforts are made to incorporate safer process technologies, optimized unit operations and sustainable systems into design and planning.

To uphold this commitment, your Company continues to invest in key areas that benefit all stakeholders. These include process automation to improve safety and reduce the potential for human error, along with extensive training programs focused on both process safety and behavior-based safety practices. Environmentally responsible and safe production methods are being actively implemented across operations.

Further, substantial upgrades are being carried out in effluent treatment infrastructure, such as the installation of Reverse Osmosis (RO) plants and Multiple Effect Evaporators (MEE), to significantly reduce effluent discharge. Your Company is also commissioning Waste Heat Recovery Systems to promote the reduction, recovery, and reuse of effluents and utilities, reinforcing its commitment to sustainability and responsible manufacturing.

A robust, well-documented scale-up protocol governs product development—from R&D to pilot and commercial scale—incorporating rigorous risk assessments and process safety evaluations at every stage. DNL's in-house R&D capabilities include advanced thermal hazard screening tools such as RC (Reaction Calorimetry), DSC (Differential Scanning Calorimetry), and ARC (Accelerating Rate Calorimetry).

Your Company aligns its policies and systems with globally recognized frameworks, including the United Nations Global Compact, ILO (The International Labour Organization) Conventions, and the Responsible Care Initiative. It actively promotes social compliance in areas such as human rights, labor standards, anti-discrimination, conflict of interest and anti-corruption.

Health and safety are central to the Company's ethos, with a firm belief that all injuries, occupational illnesses and environmental incidents are preventable. This philosophy fosters a culture of safety excellence, encouraging employees, contractors, customers and communities to prioritize personal and collective safety.

A structured incident reporting mechanism is in place, where all events—including near misses—are recorded in the Safety Management Information System (MIS). Corrective and preventive actions are tracked via internally developed software and each incident is thoroughly investigated by cross-functional teams to identify root causes and implement safeguards. All technological changes undergo rigorous safety evaluations such as Facility Siting, HAZOP, and Quantitative Risk Assessments and are approved

through a formal Management of Change process, including pre-startup safety reviews.

Your Company continues to strengthen its Process Safety Management and workplace safety through active employee engagement and continuous improvement initiatives. With a vision of "Zero Incident", Deepak has undertaken a comprehensive safety transformation journey. An external safety diagnostic assessment provided valuable insights, enabling leadership to define a strategic roadmap for system, process, and cultural enhancements.

All manufacturing units and the Registered & Corporate Office are certified to ISO 9001, ISO 14001 and ISO 45001 standards and proudly bear the Responsible Care Logo. Regular safety awareness programs are conducted across sites to drive improvements in process safety, workplace safety and behavioral transformation. A formal recognition system rewards individuals and sites for exemplary safety performance, with 100% employee participation in safety initiatives.

At DNL, a strong Occupational Health and Safety (OHS) governance framework is led by the Corporate Safety team, supported by dedicated site-level teams. The Company's HSE Policy serves as a guiding document for all safety practices and is communicated to employees, contractors, customers, communities, and business partners.

Logistics Safety Management System

In collaboration with industry peers, your Company has pioneered the establishment of Nicer Globe, an independent platform designed to ensure the safe transportation of hazardous materials across India. This system enables real-time GPS tracking, allowing for continuous monitoring of vehicle speed, route adherence, and driving time compliance. By proactively identifying and addressing deviations, the platform significantly reduces transport-related risks. The movement of raw materials and finished products is managed within a robust supply chain framework, ensuring the safety of customers, carriers, suppliers, distributors, and contractors.

Environmental Stewardship

Your Company's dedication to environmental protection extends well beyond mere compliance with regulatory obligations. By adopting the chemical industry's Responsible Care framework, the Company has embedded core principles that are fully aligned with the United Nations Sustainable Development Goals (UN SDGs). A range of initiatives have been implemented to conserve natural resources, lower energy usage, encourage recycling and reuse, and minimize pollution across operations.

Ongoing efforts are focused on reducing the overall environmental footprint through continuous improvement and innovation. The Company actively seeks out sustainable solutions that not only enhance operational efficiency but also contribute positively to environmental well-being.

Key Safety initiatives implemented

1. "PARIVARTAN"- Safety Management System

In alignment with our continued commitment to ensuring a safe and resilient workplace, Deepak Nitrite Limited proudly launched our structured Safety Management System (SMS) named "PARIVARTAN" in FY 2024–25. "Parivartan," meaning "transformation," symbolizes our shift toward a more systematic, proactive, and behaviour-driven safety culture across all levels of the organization.

This system marks a major milestone in strengthening our occupational health and safety (OHS) & Process Safety Management (PSM) framework and aligns with industry best practices and regulatory standards.

2. Enhanced training programs

As part of the "PARIVARTAN" Safety Management System, we launched a structured **Train-the-Trainer (TTT) Program** aimed at developing in-house safety champions and enabling consistent safety knowledge transfer across all levels of the organization.

The program is designed to empower selected employees and frontline supervisors with the knowledge, tools, and facilitation skills necessary to deliver high-impact safety training to their peers, contractors, and new joiners.

The program covered critical topics such as Permit to Work, Contractor safety management, Incident investigation and other essential safety practices.

Other than this, series of mandatory safety training programs for all employees and contractors e.g. hazard identification, emergency preparedness, first aid, BBS training etc. conducted.

3. Next-Gen Safety Systems

DNL introduced AI-driven safety systems to strengthen real-time risk detection and operational oversight on the shop floor.

Key highlights include:

- AI-enabled cameras deployed across critical zones to automatically detect PPE violations such as missing helmets, gloves, or goggles.
- Early fire and smoke detection through image recognition, allowing instant alerts and rapid response.

- Real-time monitoring screens installed at strategic locations to ensure immediate visibility and corrective action by the safety team.

Also, we have enhanced process safety through increased automation across key operational processes. Automation has reduced manual intervention in high-risk activities, minimized human error, and improved consistency in safety-critical operations. These improvements contribute significantly to risk mitigation, equipment reliability, and overall operational safety.

4. Improving firefighting systems

We have continued to strengthen our fire safety infrastructure by investing in advanced and comprehensive firefighting systems across critical operational areas. This includes enhancements to fire detection, suppression-sprinkler systems, and response mechanisms tailored to site-specific risks. These upgrades reflect our ongoing commitment to minimizing fire hazards, safeguarding our workforce and assets, and adhering to stringent industrial safety standards.

HUMAN RESOURCES

During FY 2024–25, your Company continued to strengthen Company's Human Resources strategy by driving talent development, organizational agility, employee well-being, and industrial harmony across all business locations. This has an objective of ensuring strong, skilful & trained workforce availability for the Company all the time. Your Company remained committed to attracting high-quality talent by hiring Graduate Engineer Trainees from reputed Tier-1, Tier-2, and Tier-3 engineering institutions. Over 100 employees were upskilled in advanced and emerging technologies relevant to the chemical and engineering domains. Capability enhancement initiatives included targeted workshops, technical certifications, and leadership development forums aimed at equipping employees for tomorrow's challenges.

During FY 2024-25, recognising the significance of identifying high-potential employees to ensure a robust talent pipeline, the Company carried out compensation benchmark study through a renowned agency to identify market correction needs of high potential performing teams for their retention and career development. The Company's Human Resources initiatives and engagement activities have enabled the Company not only to sail through the challenging times, witnessed recently, but has helped the Company in attracting, developing, nurturing & retaining right talent and keeping them motivated. Employee touch points and communication was kept live through Virtual Town Halls Wherein Executive Director & CEO, Director (Finance) & Group CFO addressed all the employees thereby established a strong sense of bonding between the Company's management and employees.

During FY 2024-25, your Company also witnessed the rollout of "Deepak Cares" a 24x7 well-being support platform in collaboration with a specialist partner. This initiative offers holistic counselling services to employees and their families, covering mental health, legal, financial, personal, and career-related support.

The Company has a dedicated Diversity Equity and Inclusion Policy to encourage inclusive work environment where members from diverse backgrounds can grow together and thrive. In order to enhance employee experience, transactional activities of HR have been automated through leverage on technology and outsourcing to subject matter experts, which has brought more efficiency in the HR processes. Your Company has also conducted employee engagement survey through renowned third party for understanding the pulse and sentiments of the employees.

INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured against risk of fire and other risks. Your Company has in place Directors' and Officers' Liability Insurance (D&O) for all its Directors (including Independent Directors) and members of the Senior Management Team for such quantum and risks as determined by the Board in line with the requirement of Regulation 25(10) of the Listing Regulations.

CYBER SECURITY

In view of the increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in line with the threat scenarios. The Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

Enhanced Threat Detection & Response

- Deployed AI-driven SIEM (Security Information and Event Management) for real-time threat monitoring.
- Upgraded Endpoint Detection and Response (EDR) solutions to combat ransomware & zero-day attacks.
- Conducted VAPT to identify vulnerabilities in critical systems.
- Introduced Red-Teaming for proactive, adversarial simulation exercise

Data Protection & Privacy Compliance

- Implementation of ISO 27001:2022 certification is in progress for information security management.

Multi-Factor Authentication (MFA) & Zero Trust

- Adopted Zero Trust Architecture (ZTA) to minimize insider threats.

Employee Awareness & Training

- Conducted cybersecurity workshops for staff.
- Ran simulated phishing campaigns to improve threat awareness.

Cloud & Infrastructure Security

- Implemented automated security patching for all servers and endpoints.
- Partnered with leading MSSPs (Managed Security Service Providers) for 24/7 SOC monitoring.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in Cyber Security.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has adopted zero tolerance for sexual harassment at the workplace and has a policy as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') for prevention and redressal of complaints of sexual harassment at workplace. To build awareness in this regard, your Company has been conducting various training sessions online and offline on a continuous basis for employees of the Company.

A duly constituted Internal Committee ('IC') is also in place for its various locations to redress complaints on sexual harassment. The IC is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines.

The details of complaints relating to sexual harassment at workplace during the year ended March 31, 2025 are provided as under:

a) Number of complaints of sexual harassment received during the year: Nil

b) Number of complaints disposed-off during the year: Nil

c) Number of cases pending for more than ninety days: Nil

DISCLOSURE UNDER MATERNITY BENEFITS ACT, 1961

The Company complies with the provisions of the Maternity Benefits Act, 1961, ensuring that eligible women employees receive their statutory entitlements. These benefits reflect your Company's commitment in creating a compliant, inclusive and supportive workplace that prioritizes the health and well-being of expecting and new mothers.

GREEN INITIATIVES

Climate change is a critical global challenge, deeply intertwined with human activities and industrial operations. Recognizing its responsibility, your Company is committed to mitigate its environmental impact by setting ambitious targets to reduce greenhouse gas (GHG) emissions and enhancing business resilience across its operations, value chain, and surrounding communities.

Sustainable Energy & Emission Reduction Initiatives

your Company has implemented multi-faceted strategies to minimize GHG emissions and transition towards a more sustainable future. Key initiatives include:

- Expanding the use of renewable energy to reduce dependency on fossil fuels.
- Deploying advanced energy-efficient technologies to optimize resource consumption.
- Leveraging AI-driven solutions to enhance operational efficiency and achieve sustained energy savings.
- Environmental Protection & Waste Management.

Your Company has taken significant steps to reinforce environmental protection and waste management, including:

Online Continuous Emission Monitoring System (OCEMS): Installed for real-time air quality monitoring and emission control.

Waste-to-Biofertilizer Conversion: Canteen waste is processed into biofertilizer, supporting green belt development.

Sustainable Waste Utilization: Trials are underway to use Effluent Treatment Plant (ETP) sludge and agro waste as alternative boiler fuels, reducing coal consumption and improving waste management practices.

Large-Scale Reforestation & Community Engagement

As part of its broader sustainability initiatives, your Company has partnered with the Forest Department for an extensive tree plantation drive in Village Shelavali, Taluka Shahapur, District Thane, Maharashtra.

Over 55,000 native trees have been planted across 50 hectares, contributing to:

- Carbon sequestration and climate mitigation.
- Biodiversity conservation and habitat restoration.
- Improved air quality, soil erosion control and enhanced water retention.
- Generating local employment opportunities and strengthens afforestation efforts in the region.

'Go Green' Initiative & Paperless Communication

In alignment with Section 20 of the Act and its commitment to environmental sustainability, your Company has adopted paperless communication practices. As part of this initiative, copies of the Notice for the 54th Annual General Meeting and the Integrated

Annual Report for FY 2024-25 are being sent to all registered members and others through electronic mode only.

This transition to digital communication reflects DNL's commitment to the 'Go Green' initiative and its ongoing efforts to minimize its ecological footprint.

INDUSTRIAL RELATIONS

During FY 2024-25 industrial relations across the Company in multiple demographics remains harmonious and issues, if any, were discussed and resolved by bilateral dialogues and zero man-days were lost. Wage settlement at Roha location for 4 years signed successfully through bilateral discussions. At Hyderabad, production incentive settlement was done successfully. To bring operational efficiency third party manpower and process study was conducted and it's findings were implemented at Hyderabad manufacturing facilities.

GENERAL DISCLOSURES

The Board of Directors state that during the year ended March 31, 2025:

- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company and or its operations in future;
- No proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016;
- The requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;
- No shares with differential voting rights and sweat equity shares have been issued;
- No public deposits as defined under Chapter V of the Act have been accepted by the Company;
- No change in the nature of business of the Company.

ACKNOWLEDGEMENT

The Board express their deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

The Directors also appreciate support and co-operation the Company has received from its Suppliers, Customers, Distributors, Company has received from its suppliers, distributors.

The Directors also take this opportunity to thank all shareholders, government and regulatory authorities and stock exchanges for their continued support.

For and on behalf of the Board

Deepak C. Mehta
(DIN:00028377)
Chairman & Managing Director

Place: Vadodara
Date: May 28, 2025

Annexure-A

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2025

[Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Deepak Nitrite Limited,
2nd Floor, Fermenter House, Alembic City,
Alembic Avenue Road, Gorwa,
Vadodara, Gujarat 390003

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and adherence to good corporate practices by **Deepak Nitrite Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2025, according to the provisions of:

i. The Companies Act, 2013 ('the Act') and Rules made thereunder;

ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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 Requirement) Regulations, 2018: No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: No events occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993: No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable; and

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable.

vi. Other laws as applicable specifically to the Company:

   a) The Environment (Protection) Act, 1986;

   b) The Water (Prevention & Control of Pollution) Act, 1974;

   c) The Air (Prevention & Control of Pollution) Act, 1981;

d) Public Liability Insurance Act, 1991;

e) Explosives Act, 1884;

f) Hazardous Wastes (Management, Handling, and Trans-Boundary Movement) Rules, 2008;

g) Petroleum Act, 1934 and Rules made thereunder;

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

I. Secretarial Standards issued by The Institute of Company Secretaries of India; and

II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the review period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except two form of IEPF, which was filed with additional fees, due to the technical issues in Ministry of Corporate Affairs website while transfer from the Ministry of Corporate Affairs old web portal (V2) to new Web portal (V3). The Company has complied with the Secretarial Standards in general.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one Woman Independent Director. There were no changes in the composition of the Board of Directors during the period under review.

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

All the decisions in the Board meetings were carried through majority while there were no dissenting members' views and hence, not captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the period under review, the Company does not have any event having a major bearing on its affairs in pursuance of the above-mentioned Laws, Rules, Regulations, Guidelines, Standards except the following, for which necessary approvals were obtained:

a) The acquisition of 10,000 Equity Shares of ₹ 10/- (Rupees Ten only) each i.e. 100% paid up Equity Share Capital of OXOC Chemicals Limited. Subsequently, the name of OXOC Chemicals Limited was changed to Deepak Advanced Materials Limited with effect from November 18, 2024 and the intimation to this effect was made to BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') on November 19, 2024.

b) Approval of Members of the Company has been obtained by way of Postal Ballot through e-Voting conducted from Thursday, March 21, 2024 at 9.00 a.m. (IST) till Friday, April 19, 2024 at 5:00 p.m. (IST) for adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024, for grant of options to the eligible employees of Deepak Nitrite Limited and group company (including subsidiaries and associate companies) of Deepak Nitrite Limited under the said Scheme.

c) A Share Purchase Agreement entered on May 31, 2024 between Deepak Chem Tech Limited ('DCTL'), Wholly Owned Subsidiary of the Company with the Shareholders of Narmada Thermal Power Private Limited ('NTPPL') to acquire 1,49,10,070 Equity Shares of ₹ 10/- each of NTPPL, representing 100% paid up Equity Share Capital of NTPPL and an intimation was made to BSE & NSE on the same day i.e. May 31, 2024 within 24 hours of the occurrence of event.

d) Approval of the Members has been obtained by way of Ordinary Resolution for declaration of Dividend of ₹ 7.50 (Rupees Seven and Paisa Fifty Only), being 375%, per Equity Share of face value of ₹ 2.00 (Rupees Two Only) each for the Financial Year ended March 31, 2024 in 53rd Annual General Meeting of the Company held on August 6, 2024.

e) Approval of the Board of Directors has been obtained for granting of loan upto ₹ 5,00,00,000/- (Rupees Five Crores Only) to Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company.

f) The Company has made disclosure regarding execution of Deed of Guarantee in favor of Export Import Bank of India for securing credit facility to be availed by Deepak Oman Industries (SFZ) LLC, subsidiary of the Company on October 23, 2024. The Deed was executed on October 23, 2024 and the disclosures made to BSE and NSE on the same day i.e. October 23, 2024.

g) The Company has received two orders passed by the Collector and Additional Superintendent of Stamps, Gujarat, under the Gujarat Stamp Act, 1958, imposing penalty of ₹ 50,000/- against Deepak PMC Limited and ₹ 2,00,000/- against Deepak Chem Tech Limited, Wholly Owned Subsidiaries of the Company. The orders were received on October 17, 2024 and the Company has made necessary disclosures to BSE and NSE on the same day i.e. October 17, 2024.

h) Shri Puneet Sharma was designated as Business Head - Fine & Speciality Chemicals of the Company on October 1, 2024, and the Company has made disclosures to BSE and NSE on the same day.

i) The Company has made necessary disclosures regarding approval granted by the Board of Directors of Deepak Chem Tech Limited, a material subsidiary of the Company to invest around ₹ 5,000 Crores in the Project for manufacturing Polycarbonate Resins. The Project was approved on November 13, 2024 and disclosures were made to both the Stock Exchanges on the same day.

j) Resignation of Shri Malay Kumar as Group Head - Projects of the Company with effect from November 15, 2024 and the Company has made necessary disclosures on the same day i.e. November 15, 2024 to both the Stock Exchanges i.e. BSE and NSE.

k) Approval of the Board of Directors of the Company has been obtained at their meeting held on November 13, 2024 for infusion of additional funds aggregating to ₹ 200,00,00,000 (Rupees Two Hundred Crores Only) in Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company, by way of subscription of Equity Shares or Preference Shares or any other instruments including granting of Loan.

l) An interim order passed by the Regional Director, Ahmedabad dated December 16, 2024, was received against Narmada Thermal Power Private Limited regarding defaults pertaining to periods prior to acquisition of Narmada Thermal Power Private Limited by Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company and the Company has made necessary disclosures on December 17, 2024 to BSE as well as NSE i.e. within 24 hours from occurrence of event.

m) The execution of Definitive Agreement between Deepak Phenolics Limited, a Wholly Owned Subsidiary of the Company and Petronet LNG Limited as a part of continual disclosure requirement to BSE and NSE which was executed on February 6, 2025 and the disclosure was made by the Company on the same day i.e. February 6, 2025.

n) Approval of the Board of Directors of the Company has been obtained at their Meeting held on February 13, 2025 for further investment upto ₹ 75,00,00,000 (Rupees Seventy Five Crores Only) in one or more tranches in Deepak Advanced Materials Limited, a Wholly Owned Subsidiary of the Company.

o) Subscription of 3,83,50,000 Optionally Convertible Redeemable Preference Shares of ₹ 100/- each of Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company during the year under Report.

For **KANJ & CO. LLP**
Company Secretaries

Dinesh Joshi
Designated Partner
Membership No.: F3752
CP No.: 2246
UDIN: F003752G000476941
Peer Review Certificate No.: 6309/2024

Date: May 28, 2025
Place: Pune

This Report is to be read with our letter of even date which is annexed as Appendix A and forms part of this Report.

To,
The Members,
Deepak Nitrite Limited,
2nd Floor, Fermenter House, Alembic City,
Alembic Avenue Road, Gorwa,
Vadodara, Gujarat 390003

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.

3. We have not verified the correctness and appropriateness of the Financial Records and Books of Accounts of the Company.

4. Wherever required, we have obtained the management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KANJ & CO. LLP**
Company Secretaries

Dinesh Joshi
Designated Partner
Membership No.: F3752
CP No.: 2246
UDIN: F003752G000476941
Peer Review Certificate No.: 6309/2024

Date: May 28, 2025
Place: Pune

Annexure-B

Secretarial Audit Report

for the Financial Year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Deepak Phenolics Limited
4th Floor, Fermenter House, Alembic City,
Alembic Avenue Road,
Vadodara – 390003,
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Deepak Phenolics Limited ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, ("review period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

i. The Companies Act, 2013 ("Act") and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ("SEBI") Act, 1992:

   a. SEBI (Depositories and Participants) Regulations, 2018, to the extent applicable;

   b. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client, to the extent applicable; and

   c. The other Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, are not applicable to the Company being an Unlisted Public Company.

vi. Other sector specific laws as follows:

   a. Explosive Act, 1884

   b. Petroleum Act, 1934

   c. Chemical Weapons Convention Act, 2000

   d. Boilers Act, 1923

We have also examined compliance with all the applicable clauses / regulations of the following: -

   i. Secretarial Standards ('Standards') issued by The Institute of Company Secretaries of India; and

   ii. Being an Unlisted Public Company, Clauses/ Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, etc. as mentioned above, and is generally compliant with the clauses of Secretarial Standards.

We further report that:

A. 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;

B. Adequate notice is given to all the 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 Director to seek and obtain further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;

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

D. The adequate systems and processes devised in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliances with all the applicable Laws, Rules, Regulations and Guidelines;

E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc., having a major bearing on the Company's affairs.

Samdani Shah & Kabra
Company Secretaries

S. Samdani
Partner
FCS No. 3677; CP No. 2863
ICSI PR# 1079/2021
ICSI Unique Code: P2008GJ016300
UDIN:F003677G000381131

Date: May 20, 2025
Place: Vadodara

This Report is to be read with our letter of even date which is annexed as Appendix A and forms part of this Report.

Appendix A

To,
The Members,
Deepak Phenolics Limited
4th Floor, Fermenter House, Alembic City,
Alembic Avenue Road,
Vadodara – 390003,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

i. Maintenance of Secretarial Records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these Secretarial Records and compliances, based on such verification and audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.

iii. Wherever required, we have obtained the management representations about the compliance of Laws, Rules, Regulations and happening of events etc.

iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the Company's affairs.

Samdani Shah & Kabra
Company Secretaries

S. Samdani
Partner
FCS No. 3677; CP No. 2863
ICSI PR# 1079/2021
ICSI Unique Code: P2008GJ016300
UDIN: F003677G000381131

Date: May 20, 2025
Place: Vadodara

Annexure-C

Secretarial Audit Report

for the Financial Year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Deepak Chem Tech Limited
1st Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara – 390003,
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deepak Chem Tech Limited** ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, ("review period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

i. The Companies Act, 2013 ("Act") and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ('SEBI') Act, 1992:

   a. SEBI (Depositories and Participants) Regulations, 2018, to the extent applicable;

   b. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client, to the extent applicable; and

   c. The other Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, are not applicable to the Company being an Unlisted Public Company.

vi. Other sector specific laws as follows:

   a. The Environment (Protection) Act, 1986

   b. Public Liability Insurance Act, 1991

   c. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

   d. Petroleum Act, 1934 and the Rules made thereunder

   e. The Indian Boilers Act, 1923

We have also examined compliance with all the applicable clauses / regulations of the following: -

i. Secretarial Standards ('Standards') issued by The Institute of Company Secretaries of India; and

ii. Being an Unlisted Public Company, Clauses / Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, etc. as mentioned above, and is generally compliant with the clauses of Secretarial Standards.

We further report that:

A. 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 review period were carried out in compliance with the provisions of the Act;

B. Adequate notice is given to all the 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 Director to seek and obtain further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;

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

D. There are adequate systems and processes devised in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliances with all the applicable Laws, Rules, Regulations and Guidelines;

E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc., having a major bearing on the Company's affairs.

Samdani Shah & Kabra
Company Secretaries

S. Samdani
Partner
FCS No. 3677; CP No. 2863
ICSI PR# 1079/2021
ICSI Unique Code: P2008GJ016300
UDIN: F003677G000381131

Date: May 27, 2025
Place: Vadodara

This Report is to be read with our letter of even date which is annexed as Appendix A and forms part of this report.

Appendix A

The Members,
Deepak Chem Tech Limited
1st Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara – 390003,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

i. Maintenance of Secretarial Records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these Secretarial Records and compliances, based on such verification and audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.

iii. Wherever required, we have obtained the management representations about the compliance of Laws, Rules, Regulations and happening of events etc.

iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the Company's affairs.

Samdani Shah & Kabra
Company Secretaries

S. Samdani
Partner
FCS No. 3677; CP No. 2863
ICSI PR# 1079/2021
ICSI Unique Code: P2008GJ016300
UDIN: F003677G000381131

Date: May 27, 2025
Place: Vadodara

Annexure-D

Business Responsibility & Sustainability Report

At Deepak Nitrite Limited ('DNL'), sustainability remains at the heart of our business operations, strategic planning, and decision-making processes. Our unwavering commitment to responsible business practices drives us to achieve our Environmental, Social, and Governance ('ESG') objectives. We are dedicated to conducting our business in a manner that safeguards the environment, contributes positively to society, and generates long-term value for all stakeholders.

We continually refine our ESG strategies and collaborate with stakeholders to achieve our shared ESG goals. Our environmental initiatives focus on minimizing our ecological footprint through strategic measures such as increasing the proportion of renewable energy in our total energy mix and reducing carbon emissions. We embarked our renewable energy journey and has signed long-term PPAs with Fourth Partner Energy to source Hybrid renewable energy – Wind and Solar at our Nandesari and Dahej sites, and a separate 3 MW agreement for operations in Roha. These renewable energy initiatives underscore our commitment to building a low-carbon future, aligning with circular economy principles and responsible resource management. By integrating wind and solar power into our operations, we are taking tangible steps towards a cleaner, more resilient energy ecosystem.

In line with this vision, we have successfully installed Scalban technology at the cooling tower, allowing R.O. reject water to be sent to the cooling tower instead of the Multiple Effect Evaporator (MEE). This innovation has significantly reduced the consumption of natural resources and operational expenditure, reflecting our commitment to efficient resource management.

Efficiently utilizing the 4R Concept—Reduce, Reuse, Recycle, and Recover—we are transforming waste into valuable products, creating both environmental and economic benefits. Our advanced pollution control technologies enable us to recycle around 35% of the water generated from wastewater, demonstrating responsible water stewardship.

Furthermore, our commitment extends beyond the factory floor into ecological restoration. We have restored 20.23 hectares of degraded coastal land through mangrove plantation, cultivating and transplanting over 1.07 Lakh native mangrove saplings. This initiative supports biodiversity conservation, carbon sequestration, and coastal protection.

We are committed to cultivating a safe, inclusive, and supportive work environment that empowers both our employees and the communities we serve. We uphold stringent ethical standards and prioritize the development of high-quality products, going beyond mere compliance. Beyond mandatory training, we implement comprehensive human rights education and skill enhancement programs, recognizing that effective human capital management is crucial to our ongoing success. Our policies focus on enhancing community well-being and ensuring a supportive workplace environment. Our employees, being our most valuable asset, benefit from robust programs covering health, wellness, work-life balance, and rigorous safety measures. Continuous learning and development are central to our HR policies, with a range of training programs designed to enhance technical skills, leadership capabilities, and personal growth.

We are committed to creating an equitable workplace by promoting diversity, inclusion, and equal opportunities, striving to eliminate all forms of discrimination. Our community development efforts aim to generate value by focusing on education, healthcare, and skills development to empower marginalized communities. Our approach involves closely engaging with stakeholders to understand their needs and aspirations and promote resilience among marginalized communities. Through these efforts, we strive to create a lasting positive impact that supports inclusive growth for all members of the society.

DNL's governance framework is grounded in the core principles of integrity, transparency, and accountability. We adhere to the highest standards of corporate governance, ensuring that our operations are conducted ethically and transparently. Our robust code of conduct outlines ethical behavior expectations for all employees, with regular training on ethical practices and mechanisms in place for reporting and addressing any unethical behavior. Transparency is central to our sustainability efforts at DNL. As a practice, we publicly report on our ESG initiatives, including sustainable sourcing. Additionally, we actively collaborate with industry peers, government, and non-governmental organizations. These partnerships drive sustainable solutions, knowledge sharing, and the adoption of best practices, amplifying our impact and advancing global sustainability goals. By working together strategically, we aim to create lasting positive change in both environmental stewardship and societal well-being.

DNL is steadfast in its pursuit of sustainability excellence through a comprehensive and forward-looking approach. By seamlessly embedding ESG principles into our environmental, social, and governance strategies, we not only catalyse economic growth but also deliver enduring, positive impacts on society and the environment continually setting new benchmarks for responsible and sustainable business practices.

For Deepak Nitrite Limited

Date: May 28, 2025
Place: Vadodara

Maulik Mehta
Executive Director & CEO

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24110GJ1970PLC001735
2	Name of the Listed Entity	Deepak Nitrite Limited
3	Year of incorporation	1970
4	Registered Office address	2nd floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara - 390003
5	Corporate Office address	2nd floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara - 390003
6	E-mail	investor@godeepak.com
7	Telephone	+91 0265-2765200
8	Website	www.godeepak.com
9	Financial year for which reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	₹ 27,27,86,082
12	Name and contact details (telephone, email address) ofthe person who may be contacted in case of any queries on the BRSR report	Shri Arvind Bajpai, Company Secretary, Email: investor@godeepak.com, Telephone: +91 2652765200
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	This report is made on Standalone basis
14	Name of assessment or assurance provider	Bureau Veritas (India) Private Limited
15	Type of assessment or assurance obtained	Reasonable Assurance for BRSR Core and Limited Assurance for BRSR Report

II. Products/services

16 Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Chemicals	Manufacturing, Trading of Chemicals	100

17 Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Nitro Toluidine	24119	17.04%
2	Sodium Nitrite	24117	17.01%
3	Optical Brightening Agents	24298	9.45%
4	EHN	24119	8.85%
5	TFMAP	24119	7.11%
6	MAHCL	24119	6.02%
7	Para Cumidines	24117	5.03%
8	4Nox	24119	4.37%
9	Sodium Nitrate	24119	4.10%
10	DASDA	24297	3.43%
11	2, 4 Xylidine	24119	3.09%
12	2 MEPPES	24119	2.80%
13	2, 6 Xylidine	24119	1.10%
14	NSA	24119	1.00%

II. Operations

18 Number of locations where plants and/or operations/offices of the entity are situated:

S. No.	Location	Number of plants	Number of offices	Total
1	National	5	3	8
2	International	0	0	0

19 Markets served by the entity:

a Number of locations

S. No.	Locations	Number
1	National (No. of states)	25
2	International (No. of countries)	50

b What is the contribution of exports as a percentage of the total turnover of the entity?

45%

c A brief on types of customers

1. Manufacturers of Chemicals
2. Manufacturers of Products where chemicals produced by the Company are used as inputs

IV. Employees

20 Details as at the end of Financial Year:

a Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	Employees					
1	Permanent (D)	1,545	1,495	96.76	50	3.24
2	Other than Permanent (E)	36	34	94.44	2	5.56
3	**Total employees (D + E)**	**1,581**	**1,529**	**96.71**	**52**	**3.29**
	Workers					
4	Permanent (F)	212	212	100.00	0	0.00
5	Other than Permanent (G)	2,679	2,676	99.89	3	0.11
6	**Total workers (F + G)**	**2,891**	**2,888**	**99.90**	**3**	**0.10**

b Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	Differently-abled Employees					
1	Permanent (D)	1	1	100.00	0	0.00
2	Other than Permanent (E)	0	0	0.00	0	0.00
3	**Total employees (D + E)**	**1**	**1**	**100.00**	**0**	**0.00**
	Differently-abled Workers					
4	Permanent (F)	1	1	100.00	0	0.00
5	Other than Permanent (G)	7	7	100.00	0	0.00
6	**Total workers (F + G)**	**8**	**8**	**100.00**	**0**	**0.00**

21 Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	%(B/A)
Board of Directors	12	1	8.33
Key Management Personnel	2	0	0.00

22 Turnover rate for permanent Employees and Workers:

(Disclose trends for the past 3 years)

Particulars	FY 2024-25 (Turnover rate (%) in current FY)			FY 2023-24 (Turnover rate (%) in previous FY)			FY 2022-23 (Turnover rate (%) in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.27	18.75	13.45	13.60	31.11	14.32	14.23	19.05	14.37
Permanent Workers	2.31	0.00	2.31	3.16	0.00	3.16	2.63	0.00	2.63

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23 a Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Deepak Phenolics LImited	Subsidiary	100	YES
2	Deepak Chem Tech Limited	Subsidiary	100	YES
3	Deepak Nitrite Corporation Inc.	Subsidiary	100	YES
4	Deepak Advanced Materials Limited	Subsidiary	100	YES
5	Deepak PMC Limited	Subsidiary	100	YES
6	Deepak Oman Industries (SFZ) LLC	Subsidiary	51	YES
7	Narmada Thermal Power Private Limited	Step Down Subsidiary	100	YES

VI. CSR Details

24 i Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

ii Turnover

₹ 2,526.47 Crores

iii Net worth

₹ 3,126.48 Crores

VII. Transparency and Disclosures Compliances

25 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NO	0	0		0	0	
Investors (Other than Shareholders)	NO	0	0		0	0	
Shareholders	YES https://www.godeepak.com/wp-content/uploads/2025/04/Investors-Grievance-redressal-policy-f.pdf	12	0		4	0	
Employees and Workers	YES https://www.godeepak.com/wp-content/uploads/2024/11/DNL_Whistle-Blower-Policy.pdf	0	0		0	0	
Customers	YES, Customer Complaints are received by the relevant sales team and thereafter, the same are entered into dedicated software and processed as per the standard operating procedure	73	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.	60	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.
Value Chain Partners	NO	0	0		0	0	

26 Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water Use & Effluent Management	Opportunity	Access to clean and safe water is a fundamental human right and is aligned with the United Nations' Sustainable Development Goal 6, which aims to be achieved by 2030. As a responsible corporate citizen, we are committed to ensure that our operations do not negatively impact the quality or supply of water resources, thereby protecting the ecosystem and society at multiple levels.	NA	Positive - Effective water use and effluent management can drive significant positive financial outcomes for businesses. By optimizing water usage and managing effluent responsibly, companies can reduce operational costs, enhance resource efficiency and mitigate regulatory risks.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Climate Change & Emissions	Risk	Climate change & Emissions stands as one of the most critical challenges confronting our planet today. Given the energy and water-intensive nature of chemical production, our failure to reduce environmental footprint can have significant repercussions on our standing within the industry and our relationships with customers, investors and society as a whole.	We have embraced environmental consciousness through our commitment to sustainable manufacturing practices. This commitment is evident in our focus on reducing utility consumption, extracting value from waste and adopting clean technologies. We are continuously striving to enhance our energy efficiency. Additionally, we ensure that the effluents, emissions and waste generated at our manufacturing facilities remain within the permissible limits set by the respective Pollution Control Boards.	Negative - Climate change & emissions related issues, if not addressed, would result in negative financial implications in long run. Climate related risks including physical as well as transition risk are directly associated with disruptions to our business operations as well as those of our value chain partners. Financial implications of mitigation efforts are well within our considerations while planning our business strategy.
3	Occupational Health & Safety	Risk	Given the inherent nature of our operations, our employees face a range of operational and safety hazards. It is crucial to address any process safety gaps and prevent Occupational Health and Safety (OHS) incidents that could potentially harm our employees. Neglecting employee well-being and safety not only jeopardises their physical welfare but also poses risks to achieving production targets and can have adverse effects on our assets, environment and overall business reputation.	We prioritise continuous and safeguarding of Occupational Health, Safety and employee wellbeing. Stringent safety measures are implemented at all our sites, including regular safety audits and the provision of appropriate personal protective equipment to our employees. We actively promote safety awareness through campaigns and training initiatives.	Negative - Employee health and safety issues, if not addressed, would result in negative financial implications.
4	Community Involvement	Opportunity	Engaging with the community in its development not only uplifts the community's standard of living but also cultivates future workers and consumers for businesses associated with the end products. This proactive involvement also enhances the Company's reputation by fostering goodwill as a benefactor within the community.	NA	Positive - The benefits to the community provided by CSR activities develop goodwill and boost the Company's brand, which has long-term financial benefits.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Growth & Profitability	Opportunity	The Company's capacity to deliver substantial value to all stakeholders hinges on its robust financial foundation. In light of escalating input and energy costs and enduring volatility in foreign exchange rates, maintaining a secure financial position is imperative. This stability not only fortifies its market position but also strengthens relationships with clients, investors and the broader public.	NA	Positive - A planned and methodical approach to investments and cost management will be determining factor to the success of the Company in the short run as well as in the long run.
6	Corporate Governance	Risk	Amid the dynamic landscape of the chemical industry, which is characterised by escalating macro-economic volatility, robust governance practices play a pivotal role in upholding ethical and transparent business operations. Meeting regulatory compliance requirements and effectively managing risks are paramount in ensuring responsible conduct and long term sustainability.	Our governance practices have been established by our competent and esteemed Board of Directors, comprising members with relevant industry expertise, independent thinking and extensive global exposure. Aided by practice transparency in financial reporting, sustainability efforts and other relevant disclosures and ethical decision making processes, bolstered by effective risk management, serve as the foundation of our governance framework. We have instilled a culture of accountability and integrity across the Company, recognising its vital role in promoting good governance practices. We implement and enforce a robust Code of Conduct and ethical standards to guide the behaviour and actions of employees at all levels. Our Board and management prioritise health, safety and environmental considerations by implementing robust safety protocols, promoting sustainable practices and minimising environmental impact. We have a comprehensive Risk Management framework to identify, assess and mitigate risks associated inter alia with operations, safety, environmental impact and compliance to solidify our governance approach. We ensure strict adherence to all applicable laws, regulations and industry standards to maintain compliance and mitigate legal and reputational risks. We have established Board Committees, such as Audit, Risk Management, Nomination and Remuneration, CSR, Sustainability Committees and more to provide focussed oversight in critical areas. We regularly evaluate our governance practices, identify areas for improvement and implement necessary changes to enhance effectiveness and relevance and build trust with all stakeholders in line with global standards of ESG.	Negative - Corporate Governance is increasingly the parameter for evaluation by external stakeholders and are likely to amplify competitive advantage relating to business sustainability. In case of their failure, it would have severe financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Business Ethics & Compliance	Opportunity	Success in business depends on creating and sustaining a culture of ethics and integrity. It supports daily decision-making by providing employees and partners with a useful reference.	NA	Positive - Prioritizing business ethics and compliance can lead to significant financial benefits for organizations. By adhering to ethical standards and regulatory requirements, companies mitigate legal risks and avoid costly fines and penalties. A strong ethical culture also fosters trust and credibility with stakeholders, enhancing customer loyalty, investor confidence and employee morale.
8	Business Continuity	Opportunity	Risk management and ethics are interconnected. A company faces lower risks to its business when it adheres to ethical standards. Aligning business ethics with risk management is crucial for ensuring continuity and resilience during disruptive incidents.	NA	Positive - Business continuity ensures resilience against disruptions, minimizing revenue loss, operational downtime and reputational damage. This proactive approach helps maintain customer trust, preserves market position and reduces recovery costs, ultimately safeguarding profitability and sustaining long-term financial health.
9	Product Stewardship	Risk and Opportunity	Risk: Reputational damage, negative impact on market share, Opportunity: Reduction in environmental impact and increased stakeholder trust and in revenue	DNL has established a protocol to assess the ESG (Environmental, Social and Governance) impacts of products during their development stages. These impacts are carefully considered in our decision-making processes. We have calculated the carbon footprint for most of our products and planning to conduct Life Cycle Assessments (LCA) for few of our existing products.	Positive - Increased circularity will result in decreased cost of materials, increased productivity and greater profitability. Such operational practices also cater to the customers preferences; aligned to responsibly sourced / manufactured products.
10	Sustainable Supply Chain	Risk	Having a sustainable supply chain is critical for company's operations and business continuity Considering the size of Company's operations, it can influence the ESG priorities for suppliers. It will have a high impact on stakeholders as well.	We maintain a robust logistics and distribution network using secure transportation with GPS tracking to monitor raw materials and finished goods in real-time. Our organised warehousing ensures prompt customer deliveries. Leveraging our manufacturing expertise, integrated facilities and agile operations, we consistently deliver reliable and steady performance.	Negative - Any disruption in Supply Chain would adversely affect the business continuity and hence would jeopardise sustainability of business.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Waste Management	Opportunity	The production and use of agrochemicals generate hazardous waste, necessitating a focus on reducing waste generation, as well as recycling and reusing waste wherever possible.	NA	Positive - Implementing effective waste management strategies can lead to substantial financial benefits for businesses. By reducing waste generation, companies can lower disposal costs and improve resource efficiency.
12	Energy Management	Opportunity	Recognizing the importance of energy efficiency in all business activities, we actively monitor our performance using systems installed across multiple locations to track daily energy consumption. Our energy conservation strategy aligns with our commitment in achieving established sustainability goals and targets.	NA	Positive - Effective energy management practices can yield substantial financial benefits for businesses. By optimizing energy use, operational costs associated with utilities, such as electricity and fuel can be reduced.
13	Employee Engagement	Opportunity	Skilled and proficient employees execute their responsibilities with effectiveness and efficiency, contributing to a capable workforce that drives internal growth. This enhances product quality and ultimately, boosts revenue for the Company.	NA	Positive - Efforts in ensuring the skill development of the workforce will lead to a more efficient workforce and improved productivity of the Company.
14	Human Rights	Risk and Opportunity	Human rights significantly influence business operations both internally and externally, spanning from raw material procurement to distribution and disposal. They also play a crucial role in shaping the company's reputation throughout the entire value chain. Risk: Potential regulatory noncompliance and reputational damage. Opportunity: Upholding employees' and workers' rights through collective action.	We have implemented a robust Human Rights due diligence framework to systematically assess our operations. This includes conducting human rights vulnerability assessments at our operational sites to identify and mitigate risks, as well as monitoring and reporting our performance. We are committed to upholding human rights across all aspects of our business operations. Our commitment to respecting human rights extends to our business partners through alignment with our policies and contractual agreements. In the fiscal year 2024-25, no incidents of human rights violations were reported, demonstrating our dedication to maintaining ethical standards throughout our operations.	Positive - Implications of non-compliance to social adherence norms related to human rights will have reputation impact for any company. The mitigation of such risks requires investment in human rights vulnerability assessment and actions. Proactive and regular compliance by the workforce is imperative to ensure business continuity in the long run.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
15	Customer Relationships	Opportunity	In a rapidly evolving and highly competitive operating environment, the growth of our business is intricately tied to our customer base. Strengthening our relationships with customers is, therefore, a crucial aspect that can profoundly influence our value-creation capabilities.	NA	Positive - A structured and transparent relationship with customers has the potential to expand business in both the short and long run, resulting in a sustainable business model.
16	Diversity, Equity & Inclusion	Opportunity	At DNL, our focus is on creating value through the continuous expansion of our workforce and fostering agility. Our team comprises individuals from diverse educational, cultural and demographic backgrounds. We are committed to upholding principles of inclusion and diversity in our employment practices, ensuring they remain inclusive of all ages and genders.	NA	Positive - Investing in Diversity, Equity and Inclusion (DEI) initiatives can lead to significant financial benefits for organizations. By fostering a diverse workforce that includes individuals from various backgrounds, genders, ages and cultures, companies can enhance innovation and creativity. This diversity of thought often leads to better problem-solving and decision making processes, which can drive operational efficiency and productivity.
17	Product Innovation	Opportunity	As our products are utilized across diverse manufacturing sectors, the demand for advanced compatibility with upgraded technologies is crucial. Emphasizing product innovation through enhanced technologies and processes will position us for a broader market in the future.	NA	Positive - Better products and the introduction of new products into the market will generate more revenue through greater business with existing customers and the addition of new clients.
18	Digitalization, IT Security & Data Privacy	Opportunity	As demonstrated during recent global disruptions, adopting digital modes of operation is crucial. These methods can greatly influence customer relationships, product launches, workforce productivity and operational efficiency.	NA	Positive – The integration of digital technologies within operations has been demonstrated across industries to alleviate operational efficiency and robustness of business output. It also allows the Company to realize strategy automation and business intelligence in the wake of competitive agility.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Policy and Management Processes

1 a Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
YES	YES	YES	YES	YES	YES	YES	YES	YES

b Has the policy been approved by the Board? (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
YES	YES	YES	YES	YES	YES	YES	YES	YES

c Web Link of the Policies, if available

P1	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P2	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P3	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P4	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P5	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P6	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P7	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P8	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf
P9	https://www.godeepak.com/wp-content/uploads/2024/11/Revised-Policy-Manual.pdf

2 Whether the entity has translated the policy into procedures. (Yes / No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
YES	YES	YES	YES	YES	YES	YES	YES	YES

3 Do the enlisted policies extend to your value chain partners? (Yes/No)

P1	P2	P3	P4	P5	P6	P7	P8	P9
NO	NO	NO	NO	NO	NO	NO	NO	NO

4 Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

P1	-
P2	-
P3	-
P4	-
P5	ISO 45001 Certification
P6	ISO 14001 Responsible Care Logo holder
P7	-
P8	ISO 9001
P9	-

5 Specific commitments, goals and targets set by the entity with defined timelines, if any.

P1	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P2	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P3	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P4	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P5	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P6	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P7	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P8	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.
P9	The Company has not set any specific goals with timeline. However, it is endeavor of the Company to ensure implementation of Principles of NGRBC. The Company will carefully assess its strategic positions and develop specific goals targets and commitments with timelines in due course.

6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

P1	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P2	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P3	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P4	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P5	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P6	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P7	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P8	The performance against the goals and targets will be assessed in the subsequent Financial Years.
P9	The performance against the goals and targets will be assessed in the subsequent Financial Years.

Governance, Leadership and Oversight

7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

Please refer to Statement of Shri Maulik Mehta at the beginning of this Report.

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies).

The Sustainability Committee is responsible for implementation and oversight the Business Responsibility Policies.

9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes. The Company has constituted a Sustainability Committee of Directors for decision making on Sustainability related issues.

10 Details of Review of NGRBCs by the Company

	Principles	Performance against above policies and follow up action	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances
Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	P1	YES	YES
	P2	YES	YES
	P3	YES	YES
	P4	YES	YES
	P5	YES	YES
	P6	YES	YES
	P7	YES	YES
	P8	YES	YES
	P9	YES	YES
Frequency (Annually/ Half yearly/ Quarterly/ Any other please specify)	P1	Half Yearly	Half Yearly
	P2	Half Yearly	Half Yearly
	P3	Half Yearly	Half Yearly
	P4	Half Yearly	Half Yearly
	P5	Half Yearly	Half Yearly
	P6	Half Yearly	Half Yearly
	P7	Half Yearly	Half Yearly
	P8	Half Yearly	Half Yearly
	P9	Half Yearly	Half Yearly

11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.

P1	No
P2	No
P3	No
P4	No
P5	No
P6	No
P7	No
P8	No
P9	No

12 If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1 Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Strategy, Risk and Opportunities, Business Sustainability	97.92
Key Managerial Personnel	4	Strategy, Risk and Opportunities, Business Sustainability	100
Employees other than BoD and KMPs	75	Health, Safety and Environment and Sustainability, Code of Conduct and POSH	89
Workers	65	Health, Safety and Environment and Sustainability, Code of Conduct and POSH	78

2 Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Penalty/Fine	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty	Principle 4	Deputy Collector, Stamp Duty Valuation Department, Section-2, Vadodara.	₹ 50,000	Deficiency in payment of Stamp Duty on Memorandum of Entry executed by the Company on May 27, 2014 for securing the Term Loan/ Working Capital facilities obtained from the Lenders.	Yes
Penalty	Principle 4	Deputy Collector, Stamp Duty Valuation Department, Section-2, Vadodara.	₹ 50,000	Deficiency in payment of Stamp Duty on Memorandum of entries executed by the Company on October 16, 2014 for securing the Term Loan/ Working Capital facilities obtained from the Lenders.	Yes

Monetary					
Penalty/Fine	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty	Principle 4	Office of the Commissioner of Customs, Nahva Sheva -II Centralized Adjudication Cell, Jawaharlal Nehru Custom House, Nhava Sheva-400 707, Dist. Raigad, Maharashtra ('Customs Authorities').	(i) Penalty of ₹ 1,00,00,000/- under Section 114(iii) of the Customs Act. (ii) Penalty of ₹ 1,50,00,000/- under Section 114AA of the Customs Act. (iii) Penalty of ₹ 50,00,000/- under Section 114AB of the Customs Act. (iv) Redemption fine of ₹ 5,00,00,000/- in lieu of confiscation, under Section 125 of the Customs Act.	Recovery of excess benefit claimed under Merchandise Export from India Scheme ('MEIS') on account of Customs Tariff classification. The Company believes the Product classification done by it is appropriate and is followed consistently even before the introduction of MEIS. Further, the same was never challenged by the Customs Authorities before the introduction of the MEIS.	Yes

Non-Monetary				
NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Not Applicable				

3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
Deficiency in payment of Stamp Duty on Memorandum of entries executed by the Company on May 27, 2014 for securing the Term Loan/ Working Capital facilities obtained from the Lenders. Directed recovery of Stamp Duty of ₹ 86,10,000/-	Chief Controlling Revenue Authority (CCRA), Gandhinagar
Deficiency in payment of Stamp Duty on Memorandum of entries executed by the Company on October 16, 2014 for securing the Term Loan/Working Capital facilities obtained from the Lenders. Directed recovery of Stamp Duty of ₹ 21,00,000/-	Chief Controlling Revenue Authority (CCRA), Gandhinagar
Recovery of excess benefit claimed under Merchandise Export from India Scheme ('MEIS') on account of Customs Tariff classification. The Company believes the Product classification done by it is appropriate and is followed consistently even before the introduction of MEIS. Further, the same was never challenged by the Customs authorities before the introduction of the MEIS.	Custom, Excise & Service Tax Tribunal, Mumbai (CESTAT)

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Code of Conduct of the Company, which is applicable to all the employees, covers the Anti-Corruption and Anti-Bribery Policy of the Company.

The weblink of the same is https://www.godeepak.com/wp-content/themes/twentysixteen/companyfiles/corporate_governance_report/Code%20of%20Conduct_Senior%20Management.pdf

5 Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6 Details of complaints with regard to conflict of interest:

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Not Applicable	0	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Not Applicable	0	Not Applicable

7 Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Since there were no such matters, no corrective actions are required to be taken.

8 Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	77	61

9 Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format:

Parameter	Metrics		FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	59.45%	50.96%
	b.	Number of trading houses where purchases are made from	1,915	1,770
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	53.08%	56.05%
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	8.00%	8.00%
	b.	Number of dealers / distributors to whom sales are made	66	40
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	88.00%	87.00%
Share of RPTs	a.	Purchases (Purchases with related parties / Total Purchases)	9.23%	7.83%
	b.	Sales (Sales to related parties / Total Sales)	1.32%	1.13%
	c.	Loans and advances (Loans and advances given to related parties / Total loans and advances)	83.77%	99.53%
	d.	Investments (Investments in related parties / Total Investments made)	93.33%	90.18%

Leadership Indicators

1 Awareness programmes conducted for value chain partners on any of the principles during the financial year:

S. No.	Total number of awareness programmes held	Topics/ principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	1	Sustainability, Safety Compliance & Emergency Response & Planning.	1%

2 Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. As per the Code of Conduct applicable to the Board of Directors, Directors must avoid any conflicts of interests with the Company. Directors will not enter into, without the prior approval of the disinterested members of the Board, any transaction or relationship with the Company in which they have a financial or personal interest, either directly or indirectly, such as through any relative (as defined under Section 2(77) of the Companies Act, 2013 or any statutory modification or re-enactment thereof), or an organisation with which the Director is affiliated, or any transaction or situation which otherwise involves a conflict of interest. The link to the Code of Conduct for Directors is https://www.godeepak.com/wp-content/themes/twentysixteen/companyfiles/corporate_governance_report/Code_of_Conduct_for_Director.pdf.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicator

1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	0.0%	6%	Efficiency improvement, emission reduction, energy conservation, improved effluent treatment.
Capex	3.94%	5%	Efficiency improvement, emission reduction, energy conservation, improved effluent treatment.

2 a Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes.

b If yes, what percentage of inputs were sourced sustainably?

32% of the inputs were sourced sustainably.

3 Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:

a Plastics (including packaging)

All plastic waste generated was given to Extended Producer's Responsibility ('EPR') registered plastic waste processor.

b E waste

All e-waste generated was given to recycler registered with Pollution Control Board

c Hazardous waste

All hazardous waste generated was disposed to PCB-registered, TSDF, CHWIF, Co-processing facility, Pre-processing facility & Recyclers/Actual user facility.

d other waste

All other waste generated was disposed to authorised recycling agencies.

4 **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same**

Yes. The waste collection is in line with the EPR plan submitted to Pollution Control Boards.

Leadership Indicator

1 **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.**

LCA was not conducted for any products.

2 **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

There are no significant social or environmental concerns and/or risks arising from production or disposal of products.

3 **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

No recycled materials have been used in the production.

4 **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	1,235	0	0	1,501	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5 **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not Applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicator

1 a Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent Employees											
Male	1,495	1,495	100.00	1,495	100.00	0	0.00	1,495	100.00	0	0.00
Female	50	50	100.00	50	100.00	50	100.00	0	0.00	0	0.00
Total	**1,545**	**1,545**	**100.00**	**1,545**	**100.00**	**50**	**100.00**	**1,495**	**100.00**	**0**	**0.00**
Other than Permanent Employees											
Male	34	34	100.00	34	100.00	0	0.00	34	100.00	0	0.00
Female	2	2	100.00	2	100.00	2	100.00	0	0.00	0	0.00
Total	**36**	**36**	**100.00**	**36**	**100.00**	**2**	**100.00**	**34**	**100.00**	**0**	**0.00**

1 b Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent Workers											
Male	212	212	100.00	212	100.00	0	0.00	212	100.00	0	0.00
Female	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	**212**	**212**	**100.00**	**212**	**100.00**	**0**	**0.00**	**212**	**100.00**	**0**	**0.00**
Other than Permanent Workers											
Male	2,676	2,676	100.00	2,676	100.00	0	0.00	2,676	100.00	0	0.00
Female	3	3	100.00	3	100.00	3	100.00	0	0.00	0	0.00
Total	**2,679**	**2,679**	**100.00**	**2,679**	**100.00**	**3**	**100.00**	**2,676**	**100.00**	**0**	**0.00**

c Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of Total Revenue of the Company	0.25%	0.20%

2 Details of retirement benefits, for Current Financial Year and Previous Financial Year.

S. No.	Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Yes	100%	100%	Yes
3	ESI	100%	100%	Yes	100%	100%	Yes

3 Accessibility of workplaces

Are the premises / offices of the entity accessible to diferently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, our premises have facilities of ramps, lifts, bars and handles, dedicated washrooms for the differently abled employees.

4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. It can be accessed at: https://www.godeepak.com/wp-content/uploads/2021/05/Diversity-Equal-Opportunity-and-Freedom-of-Association-1-9-2020-. pdf

5 Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	71	100%	0	0
Female	1	100%	0	0
Total	**72**	**100%**	**0**	**0**

6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	Each recognised union have their Grievances Committee covering all permanent workers. These committees approach the management for grievances and grievances are resolved judiciously
Other than Permanent Workers	Yes	Periodic Meetings of representatives of Human Resources Department are held with other than permanent Workers to resolve their grievances, if any.
Permanent Employees	Yes	Grievance Committees are in place to redress the grievances.
Other than Permanent Employees	Yes	Periodic Meetings of representatives of Human Resources Department are held with other than permanent employees to resolve their grievances, if any.

7 Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category(A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B/A)	Total employees / workers in respective category(A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B/A)
Total Permanent Employees	**1,545**	**0**	**0.00**	**1,503**	**0**	**0.00**
Male	1,495	0	0.00	1,457	0	0.00
Female	50	0	0.00	46	0	0.00
Total Permanent Workers	**212**	**212**	**100.0**	**217**	**217**	**100.00**
Male	212	212	100.0	217	217	100.00
Female	0	0	0.00	0	0	0.00

8 Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health and safety measures (B)		On Skill upgradation (C)		Total (D)	On Health and safety measures (E)		On Skill upgradation (F)	
		No.(B)	% B/A	No.(C)	% C/A		No.(E)	% E/D	No.(F)	% F/D
Employees										
Male	1,495	1,131	75.65	802	53.65	1,457	1,457	100.00	320	21.96
Female	50	16	32.00	27	54.0	46	46	100.00	6	13.04
Total	**1,545**	**1,147**	**74.24**	**829**	**53.66**	**1,503**	**1,503**	**100.00**	**326**	**21.69**
Workers										
Male	212	108	50.94	94	44.34	217	217	100.00	27	12.44
Female	0	0	0.00	0	0.00	0	0	0.00	0	
Total	**212**	**108**	**50.94**	**94**	**44.34**	**217**	**217**	**100.00**	**27**	**12.44**

9 Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% B/A	Total (C)	No. (D)	% D/C
Employees						
Male	1,495	1,284	85.89	1,457	1,425	97.80
Female	50	39	78.00	46	44	95.65
Total	**1,545**	**1,323**	**85.63**	**1,503**	**1,469**	**97.74**
Workers						
Male	212	0	0.00	217	0	0.00
Female	0	0	0.00	0	0	0.00
Total	**212**	**0**	**0.00**	**217**	**0**	**0.00**

10 Health and safety management system:

a Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes.

All locations of DNL has implemented HSE management system in line with ISO 45001 and ISO 14001. Plan-Do-Check-Act cycle is followed for the continual improvement.

Key features of HSE Management system:

1) OH & S is considered as line-management responsibility.
2) Well defined and communicated responsibility, accountability and authority of persons who identify, evaluate or control OSH hazards and risks.
3) Promote cooperation and communication among members of the organization, including workers and their representatives, to implement the elements of the organization's OHS management system.
4) Well established HSEQ policy and measurable objectives.
5) Identification and elimination or control of work-related hazards and risks and promote health at work.
6) Health promotion programmes are being organised.
7) Periodic review by top leadership on the performance of the OHS management system.
8) All sites are audited and performance is evaluated through team of auditors.
9) Following seven codes of Responsible Care are in practice:
   I) Process Safety Code
   II) Employee Health & Safety
   III) Pollution prevention
   IV) Distribution Safety
   V) Product Stewardship
   VI) Community awareness & emergency response
   VII) Security Code
10) DNL has received Eco Vadis Bronze Medal in its latest assessment done in year 2024, results published in April 2025.
11) DNL has also launched internal Safety Management System named "Parivartan" consisting of seven core elements to enhance safety culture across all sites.

b What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Work related hazards are identified through various techniques like Hazard Identification and Risk Assessment ('HIRA') and Hazard and Operability Study ('HAZOP'). Leadership Walk through rounds & Cross site Safety audit also being conducted at regular interval at all sites.

c Whether you have processes for workers to report the work related hazards and to remove themselves from such risks? (Yes/ No)

Yes

d Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11 Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	0.29	0.28
	Workers	0	0.26
Total recordable work-related injuries	Employees	2	2
	Workers	9	9
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

12 Describe the measures taken by the entity to ensure a safe and healthy work place.

DNL is a Responsible Care logo holding Company. Some of the measures for safe working environment is listed below:

1) Regular training on EHS related matters are provided to existing employees, workers as well as to new joinees.
2) Maintain an organized and orderly facility.
3) Communicate hazards to everyone in the facility.
4) DCS controlled processes.
5) Using engineering controls.
6) Treatment of waste in ETP.
7) All statutory requirements are complied with.
8) We provide PPE for everyone entering our plants.

13 Number of complaints on the following made by employees and workers:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health and Safety	0	0	-	0	0	-

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

We have initiated safety management system to enhance safety culture.

Leadership Indicators

1 Does the entity extend any life insurance or any compensatory package in the event of death of

a Employees (Y/N)

Yes

b Workers (Y/N)

Yes

2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Standard terms of the Contracts with Value Chain partners contain clauses requiring Value Chain partners to comply with such legal requirements for collection/deduction of statutory dues and depositing the same with appropriate authorities. Further, the payment to such Value Chain partners are released upon verification of such deposition.

3 Provide the number of employees / workers having sufered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total No. of affected employees/ workers		No. of employees/workers rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5 Details on assessment of Value Chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100
Working Conditions	100

6 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of Value Chain partners.

We have implemented rigorous correctives measures, including enhanced safety training, regular audits and strict compliances checks to address identified risks and improve Health and Safety practices across our Value Chain partners.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1 Describe the processes for identifying key stakeholder groups of the entity.

The Company believes that the stakeholders who are affected the most by the business as well as those who affect the Company the most, are key stakeholders for the Company. The key stakeholders are identified as Customers, Investors, Community, Employees and Suppliers.

2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customers	No	Email Communication, Face-to face meeting, Phone calls, Virtual meetings, Exhibitions, conferences	Daily	Routine discussion like price variation, timely supply of products etc.
2	Investors	No	Annual General Meeting / analyst meetings/ conferences / Annual Report Quarterly earnings con calls / Media releases Company website / Dedicated investor email address Individual communication channels Through Registrar and Share Transfer Agent (RTA) / Social Media	Quarterly	Financial performance, Operational performance, growth plans, challenges faced by the Company, Material information, Notices of General meeting, Board meetings.

S. No.	Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
3	Community	Yes	Engaging in regular dialogues with community through meetings, visits and interactions. Executing CSR initiatives to encourage community involvement. Utilising demographic surveys to obtain valuable insights and feedback from the community	Monthly	Community shares their experiences, views and expectations from the Company.
4	Employees	No	Senior leadership communication sessions, Performance review and appraisal meetings. Union meetings for open dialogue and collaboration, Wellness initiatives promoting employee well-being, Employee engagement surveys to gather feedback and insights. Townhall meetings for transparent communication and updates. Sports events to encourage team building and physical well-being	Daily	Feedback on policies, suggestions, queries on HR policies, trainings on sustainability, health and safety, career development.
5	Supplier	No	Advertisement, Email, Face-to-face Meetings, Newspaper, Pamphlets, Phone Calls, SMS, Website, Virtual Meetings	Daily	Quantity and quality of products and services, payment terms, deliverables.

Leadership Indicators

1 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The process for consultation between stakeholders and the Board on economic, environmental and social topics involves both direct and delegated mechanisms. In direct consultation, stakeholders engage with the Management through structured meetings, surveys and public and business forums, where their inputs are systematically recorded and compiled into comprehensive reports. These reports are subsequently presented to the Management during scheduled sessions to inform decision-making. When consultation is delegated, designated representatives such as Committees or managers gather stakeholder's feedback using various methods like meetings and surveys. The collected feedback is synthesized into detailed summary reports, which are communicated to the Management through regular briefings or written submissions. This ensures that the Board is kept informed of stakeholder perspectives and can make decisions based on a broad range of inputs.

2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the stakeholder consultation is used to support the identification and management of environmental and social topics. Input from stakeholders plays a crucial role in shaping policies and activities related to these areas. For instance, in response to community concerns about environmental impacts, formal and informal feedback from stakeholders are instrumental in enhancing the Company's waste management practices, leading to the adoption of a new recycling program. Similarly, stakeholders consultation revealed the need for improved social policies, resulting in the development of a comprehensive community engagement strategy. This strategy included regular meetings and partnerships with local organizations to address social issues more effectively. These consultations ensure that stakeholders perspective are integrated into the Company's policies and activities, fostering sustainable and community-aligned decision-making

3 Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Based on the stakeholders consultation and baseline surveys, the CSR activities of the Company are inter alia aimed to address the concerns of vulnerable/ marginalized stakeholder groups. Additionally, to better address the needs of marginalized groups such as indigenous communities, the organization conducted focused listening sessions to understand their unique challenges related to social and cultural preservation. This engagement led to the implementation of culturally sensitive environmental management practices and the creation of educational programs aimed at preserving local requirements. Another instance includes partnering with non-profit organizations to provide health support services to underserved populations, thereby addressing their immediate needs and fostering long-term resilience. These actions demonstrate the Company's commitment to actively engaging with and responding to the concerns of vulnerable groups, ensuring that their voices are heard and integrated into the decision-making process.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1,545	31	2.01	1,503	186	12.38
Other than Permanent	36	0	0.00	46	24	52.17
Total	**1,581**	**31**	**1.96**	**1,549**	**210**	**13.56**
Workers						
Permanent	212	0	0.00	217	0	0.00
Other than Permanent	2,676	48	1.79	2,304	0	0.00
Total	**2,888**	**48**	**1.66**	**2,521**	**0**	**0.00**

2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% B/A	No.(C)	% C/A		No.(E)	% E/D	No.(F)	% F/D
Employees										
Permanent	1,545	0	0.00	1,545	100.00	1,503	0	0.00	1,503	100.00
Male	1,495	0	0.00	1,495	100.00	1,457	0	0.00	1,457	100.00
Female	50	0	0.00	50	100.00	46	0	0.00	46	100.00
Other than Permanent	36	0	0.00	36	100.00	46	0	0.00	46	100.00
Male	34	0	0.00	34	100.00	43	0	0.00	43	100.00
Female	2	0	0.00	2	100.00	3	0	0.00	3	100.00
Workers										
Permanent	212	0	0.00	212	100.00	217	0	0.00	217	100.00
Male	212	0	0.00	212	100.00	217	0	0.00	217	100.00
Female	0	0	0.00	0	0.00	0	0		0	
Other than Permanent	2,679	0	0.00	0	100.00	2,304	2,304	100.00	0	0.00
Male	2,676	2,676	100.00	0	0.00	2,253	2,253	100.00	0	0.00
Female	3	3	100.00	0	0.00	51	51	100.00	0	0.00

3. a. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages (₹ in Crores)	Number	Median remuneration/ salary/ wages (₹ in Crores)
Board of Directors (BoD)[1]	7	0.16	1	0.25
Key Managerial Personnel[2]	6	4.22	0	0
Permanent employees other than BoD and KMP	1,489	0.06	50	0.07
Permanent Workers	212	0.07	0	0

Notes:

1. Includes only Non-Executive Directors and Independent Directors.
2. Key Managerial Personnel includes Chairman & Managing Director, Whole-time Directors, Chief Financial Officer and Company Secretary.

b Gross wages paid to females as % of total wages paid by the entity, in the following format

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to Permanent female employees as % of total wages	2.98	3.21

4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Ethics, Human Rights & Labour Policy has been adopted by the Company and the Sustainability Committee has been constituted to review all Sustainability related matters of the Company including human rights.

5 Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a policy in place for Ethics, Human Rights & Labour Policy. It is committed to maintaining safe and harmonious business environment and workplace for all individuals.

6 Number of Complaints on the following made by employees and workers:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0
Complaints on POSH upheld	0	0

8 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a Policy on Ethics, Human Rights and Labour, which provides anonymity to the complainant and also prevents victimisation of the complainant.

9 Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10 Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at Workplace	100%
Wages	100%

11 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no risks/concerns arising from the assessment. However, regular training and awareness sessions are being conducted.

Leadership Indicators

1 Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Specific clause added in all third-party agreements to avert risk of Human Rights Violation.

2 Details of the scope and coverage of any Human rights due-diligence conducted.

While the Company is engaging new vendor or contractor it ensures that those parties are aware about human rights protection and written confirmation post due-diligence audit are taken.

3 Is the premise/office of the entity accessible to diferently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4 Details on assessment of Value Chain partners:

	% of Value Chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at Workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%

5 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

There were no significant risks / concerns arising from the assessment.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Value	Unit	Value	Unit
From renewable sources				
Total electricity consumption (A)	1,530.76	GJ	23.74	GJ
Total fuel consumption (B)	0	GJ	0	GJ
Energy consumption through other sources (C)	0	GJ	0	GJ
Total energy consumed from renewable sources (A+B+C)	**1,530.76**	**GJ**	**23.74**	**GJ**
From non-renewable sources				
Total electricity consumption (D)	3,83,808.64	GJ	3,52,823.79	GJ
Total fuel consumption (E)	14,53,800.75	GJ	17,54,346.79	GJ
Energy consumption through other sources (F)	3,12,297.54	GJ	0	GJ
Total energy consumed from non-renewable sources (D+E+F)	21,49,906.93	GJ	21,07,170.58	GJ
Total energy consumed (A+B+C+D+E+F)	21,51,437.69	GJ	21,07,194.32	GJ
Energy intensity per rupee of turnoverper rupee of turnover (Total energy consumed/ Revenue from operations)	0.000085156	GJ/₹	0.00007735	GJ/₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.001759319	GJ/₹	0.0015802	GJ/₹
Energy intensity in terms of physical output -	8.1173	GJ/MT of production	8.8035	GJ/MT of production
Energy intensity (optional) –	0	-	0	-

Source of PPP conversion rates taken from the International Monetary Fund (IMF) published document for FY 2023-24 and FY 2024-25.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited

2 Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3 Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Value	Unit	Value	Unit
Water withdrawal by source (in kilolitres)				
(i) Surface water	0	Kilolitres	0	Kilolitres
(ii) Groundwater	0	Kilolitres	0	Kilolitres
(iii) Third party water	11,67,269	Kilolitres	13,51,968	Kilolitres
(iv) Seawater / desalinated water	0	Kilolitres	0	Kilolitres
Others	0	Kilolitres	0	Kilolitres
Total volume of water withdrawal (i + ii + iii + iv + v)	11,67,269	Kilolitres	13,51,968	Kilolitres
Total volume of water consumption (in kilolitres)	6,70,029	Kilolitres	7,54,745	Kilolitres
Water intensity per rupee of turnover	0.00002652	Kilolitres/₹	0.00002770	Kilolitres/₹
Water intensity per rupee of turnover adjusted for PPP	0.00054791	Kilolitres/₹	0.00056599	Kilolitres/₹
Water intensity in terms of physical output	2.5280	Kilolitres/ MT of production	5.6483	Kilolitres/ MT of production
Water intensity (optional)	-	-	-	-

Source of PPP conversion rates taken from the International Monetary Fund (IMF) published document for FY 2023-24 and FY 2024-25.

Note: The Company has started monitoring of water consumption from this year as per BRSR guidelines and previous year water consumption figure corrected accordingly

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited

4 Provide the following details related to water discharged:

Parameter		FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
		Value	Value
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To surface water	0	0
	- No treatment	0	0
	- With treatment	0	0
(ii)	To Groundwater	0	0
	- No treatment	0	0
	- With treatment	0	0
(iii)	To Seawater	0	0
	- No treatment	0	0
	- With treatment	0	0
(iv)	Sent to third-parties	5,02,284	5,97,223
	- No treatment	0	0
(v)	Others	0	0
	- No treatment	0	0
	- With treatment	0	0
Total water discharged (in kilolitres)		**5,02,284**	**5,97,223**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited

5 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, the Company has implemented Zero Liquid Discharge system (ZLD) at its Hyderabad Unit-II. Details of ZLD as follows;

1. Effluents with high TDS are first given primary treatment and then processed through a multi-effect evaporator system, from which the concentrate effluent is sent to a fluidized bed recovery system to recoverd sodium sulfate salt and treated water is being reused in the process.
2. Sewage treated in Sewage Treatment Plant followed by RO plant. RO permeate for reuse & RO reject for evaporation.

6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Value	Unit	Value	Unit
NOx	630	TPA	581	TPA
SOx	136	TPA	140	TPA
Particulate matter (PM)	64	TPA	63	TPA
Persistent organic pollutants (POP)	0	NA	0	NA
Volatile organic compounds (VOC)	0	NA	0	NA
Hazardous air pollutants (HAP)	0	NA	0	NA

Note: Air pollutant data previously reported in ppm and mg/Nm^3 is now presented in TPA for consistency with emission reporting standards.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited

Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.

The agency approved by National Accreditation Board for testing and Calibration Laboratories (NABL)/ Ministry of Environment and Forests (MoEF) carried out monitoring of each source of air emission and those results are reproduced.

7 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 Emissions	Metric tonnes of CO2 equivalent	1,21,129.44*	1,17,226.38
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO_2	Metric tonnes of CO_2 equivalent	1,21,055.84	1,17,221.94
CH_4	Metric tonnes of CO_2 equivalent	1.49	2.69
N_20	Metric tonnes of CO_2 equivalent	1.67	1.76
HFCs	Metric tonnes of CO_2 equivalent	0	0
PFCs	Metric tonnes of CO_2 equivalent	0	0
SF_6	Metric tonnes of CO_2 equivalent	0	0
NF_3	Metric tonnes of CO_2 equivalent	0	0
Total Scope 2 Emissions	Metric tonnes of CO_2 equivalent	1,01,908.03	93,029.37
Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available			
CO_2	Metric tonnes of CO_2 equivalent	1,01,908.03	93,028.89
CH_4	Metric tonnes of CO_2 equivalent	0.45	0.43
N_20	Metric tonnes of CO_2 equivalent	0.05	0.04
HFCs	Metric tonnes of CO_2 equivalent	0	0
PFCs	Metric tonnes of CO_2 equivalent	0	0
SF_6	Metric tonnes of CO_2 equivalent	0	0
NF_3	Metric tonnes of CO_2 equivalent	0	0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent	0.000008828	0.00000772
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*	Metric tonnes of CO_2 equivalent	0.00018239	0.00015767
Total Scope 1 and Scope 2 emission intensity in terms of physical output-	Metric tonnes of CO_2 equivalent	0.8415	0.8784
Total Scope 1 and Scope 2 emission intensity (optional)-the relevant metric may be selected by the entity	Metric tonnes of CO_2 equivalent	0	0

Source of PPP conversion rates taken from the International Monetary Fund (IMF) published document for FY 2023-24 and FY 2024-25.

* Note: 70.44 tCO2e is included in Scope 1 for Refrigerants.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited.

8 Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details

The Company is making various efforts towards reduction of Green House Gases (GHG) by investing in newer technologies and equipment, which help improving efficiency and thus reducing input at the same time lower energy consumption. In addition, the Company is also making efforts in increasing use of renewable energy by installation of rooftop solar power plants. The recycling of waste water and waste generated is also aimed at reducing GHG emissions.

9 Provide details related to waste management by the entity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
		Value	Value
Total Waste generated (in metric tonnes)			
Plastic waste (A)	MT	1,347.04	1,536.82
E-waste (B)	MT	8.52	4.19
Bio-medical Waste (C)	MT	0.02	0.02
Construction and demolition waste (D)	MT	90.47	472.40
Battery Waste (E)	MT	6.82	1.17
Radioactive Waste (F)	MT	0	0
Other Hazardous waste generated (G). Please specify, if any.	MT	73,049.74	1,07,856.24
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	MT	9,116.47	13,226.30
Total (A + B + C + D + E + F + G + H)	MT	**83,619.08**	**1,23,097.15**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	MT/₹	0.00000331	0.00000452
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)*	MT/₹	0.00006838	0.00009231
Waste intensity in terms of physical output	MT/MT	0.3155	0.5142
Waste intensity (optional) - the relevant metric may be selected by the entity	0	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations			
Category of waste			
(i) Recycled	MT	69,159.70	1,07,473.32
(ii) Re-Used	MT	0	0
(iii) Other recovery operations	MT	1,452.85	2,014.61
Total	MT	**70,612.55**	**1,09,487.93**
For each category of waste generated, total waste disposed by nature of disposal method (In MT)			
(i) Incineration	MT	0.02	4.42
(ii) Landfilling	MT	13,006.51	13,604.82
(iii) Other disposal operations	MT	0	0
Total	MT	**13,006.53**	**13,609.24**

Source of PPP conversion rates taken from the International Monetary Fund (IMF) published document for FY 2023-24 and FY 2024-25.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited.

Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies, assumptions and/or calculation tools used.

The data on waste generation and disposal is recorded and monitored through the SAP, which enables real-time tracking of waste generation, handling, and disposal activities. At the site level, solid and hazardous waste quantities are tracked using logbooks and system-generated disposal manifests. The data is compiled based on actual measurements and operational records, in accordance with the guidelines prescribed under the Environment (Protection) Act, 1986, and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

10 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company ensures responsible waste management practices whereby waste is being segregated, stored, labelled, transported, and sold to recyclers/co-processing to cement industries/disposed to third party treatment facility in line with legal compliance under

Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016. Moreover, 85% of the total waste generated in FY 2024-25 has been sent for reuse/recycle/pre-processing/co-processing purpose i.e., 71,023.44 MT of waste sent to recycler for producing the value-added product out of waste and co-processing waste sent to third party Cement plant as alternative fuel resources material. Collective efforts to reduce hazardous waste disposal have resulted in an approximate 32% decrease in overall waste disposal.

11 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The Company does not have any operations or offices in or around ecologically sensitive areas.

12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The Company was not required to carry out any environmental impact assessments during the year.

13 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non compliances, in the following format:

Yes. The entity is fully compliant with applicable environmental laws and regulations, including the Water (Prevention and Control of Pollution) Act, 1974; the Air (Prevention and Control of Pollution) Act, 1981; the Environment (Protection) Act, 1986; and associated rules made there under. All required consents and authorizations from the State Pollution Control Board (SPCB) are valid and up to date, and periodic returns and reports are submitted as per regulatory timelines

Leadership Indicators

1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For facilities / plants located in areas of water stress, provide the following information

For each facility / plant located in areas of water stress, provide the following information:

i Name of the area

Nandeari and Dahej in Gujarat and jeedimetla in Telangana.

ii Nature of operations

Manufacturing of Basic Intermediate, and Fine & Speciality Chemicals.

iii Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	9,86,428.00	11,54,756.00
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	9,86,428.00	11,54,756.00
Total volume of water consumption (in kilolitres)	5,44,797.00	6,16,943.00
Water intensity per rupee of turnover (Water consumed / turnover)	0.00002156	0.00002265
Water intensity(optional) - the relevant metric may be selected by the entity	0	0
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment (specify level)	0	0
(ii) Into Ground water	0	0
- No treatment	0	0
- With treatment (specify level)	0	0
(iii) Into Sea Water	0	0
- No treatment	0	0

Parameter		FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
	- With treatment (specify level)	0	0
(iv)	Sent to third-parties	4,41,631.00	5,37,813.00
	- No treatment	0	0
	- With treatment (specify level)	4,41,631.00	5,37,813.00
(v)	Others	0	0
	- No treatment	0	0
	- With treatment (specify level)	0	0
Total water discharged (in kilolitres)		**4,41,631.00**	**5,37,813.00**

Note: From this year, water withdrawal, consumption and discharge for water stress areas have been calculated based on Water Atlas data, with previous year data incorporated for comparison.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited

2 Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 Emissions	Metric tonnes of CO_2 equivalent	2,46,570.12	329,554.92
Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available			
CO_2	Metric tonnes of CO_2 equivalent	2,46,051.75	327832.77
CH_4	Metric tonnes of CO_2 equivalent	18.92	24.74
N_2O	Metric tonnes of CO_2 equivalent	499.45	1697.40
HFCs	Metric tonnes of CO_2 equivalent	0	0
PFCs	Metric tonnes of CO_2 equivalent	0	0
SF_6	Metric tonnes of CO_2 equivalent	0	0
NF_3	Metric tonnes of CO_2 equivalent	0	0
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent/ rupee	0.0000097595	0.00001210
Total Scope 3 emission intensity (optional) the relevant metric may be selected by the entity		0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment has been carried out by Bureau Veritas (India) Private Limited

3 With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

4 If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Water Recovery from Specific Effluent Stream	Established low temperature evaporation technology based on mechanical vapour compression system. Around 95% high quality condensed water is recovered from the generated effluent without use of heat generation and rejection units, with lower water recovery cost. Further, recovered water has been reused in operations for washing purpose.	Conservation of natural resources
2	Alteration of neutralizing media leads to a reduction in sludge volume	By treatability study of various coagulants at Research and Development Center, which direct to reduction of 85% in primary sluge from primary treatment	Reduced landfill disposal
3	Water recovery by installing advance teachnology.	By installing advanced technology, we have successfully reused reverse osmosis (R.O.) reject water in our cooling towers, thereby reducing our dependency on fresh water.	Conservation of natural resources and reduced water discharge

5 Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has a comprehensive On-Site and Off-Site Emergency Action Plan. On-Site Emergency Action Plan is designed to ensure the resilience of our operations and the safety of our employees, customers and stakeholders in the event of disruptions. Emergency preparedness plan focusses on Risk Assessment and Impact Analysis and Crisis Management. The roles and responsibilities are clearly defined. These plans are reviewed on half yearly basis to ensure emergency preparedness

6 Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse impact.

7 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil

8 How many Green Credits have been generated or procured:

a By the listed entity

No Green Credits have been generated or procured.

b By the top ten (in terms of value of purchases and sales, respectively) value chain partners.

Information not available.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1 a Number of affiliations with trade and industry chambers/ associations:

5

b List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No	Name of the trade and industry chambers associations	Reach of trade and industry chambers/ associations (State/National)
1	The Federation of Indian Chambers of Commerce and Industry	National
2	Indian Chemical Council	National
3	Confederation of Indian Industry	National
4	Federation of Gujarat Industries	State
5	Gujarat Employees Organisation	State

2 Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

There were no issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities, hence no corrective actions were required.

Leadership Indicators

1 Details of public policy positions advocated by the entity

Not Applicable

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

There was no requirement for Social Impact Assessment (SIA) during FY 2024-25.

2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (RandR) is being undertaken by your entity, in the following format:

There are no projects underway for which Rehabilitation and Resettlement (R & R) are required.

3 Describe the mechanisms to receive and redress grievances of the community:

The Company's Environmental, Health and Safety Department as well as Corporate Affairs function remain in constant touch with the community and other associated organisation. The Company has been working for the betterment of community since over 43 years with Deepak Foundation, which was set up in 1982 by late Shri C. K. Mehta, Founder of the Company. Deepak Foundation is in constant touch with the community in and around the surrounding area of the Company's operations to address issues, if any relating to social development.

4 Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Current Financial Year)
Directly sourced from MSMEs/ small producers	19.45%	18.45%
Directly from within India	76.13%	76.84%

Note: The percentage calculations were based on the quantity of input materials sourced.

5 Job creation in smaller towns Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Current Financial Year)
Rural	0.74	0.18
Semi Urban	5.29	2.32
Urban	0.00	0.00
Metropolitan	3.59	3.97

Leadership Indicators

1 Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable because no requirement for Social Impact Assessment during FY 2024-25.

2 Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Gujarat	Kanwat	6.83 Lakhs
2	Gujarat	Naswadi	40.58 Lakhs

3 a Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes, our Sustainable Procurement Policy outlined the scope to procure from marginalized /vulnerable groups.

b From which marginalized /vulnerable groups do you procure?

Not Applicable, Currently, we are not procuring from any marginalized /vulnerable groups.

c What percentage of total procurement (by value) does it constitute?

Not Applicable

4 Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6 Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Help Desk Project	35,275	100
2	Mobile Health Unit - Dahej	17,427	74
3	Mobile Health Unit- Roha	24,422	70
4	Mobile Health Unit- Taloja	17,995	51
5	Mobile Health Unit- Kawant	23,420	100
6	Setting up Palliative Care Facilities	454	100
7	Medical Buggy	2,04,553	100
8	Mobile Library Roha	1,993	100
9	ICDS Program- Nandesari	2,085	100
10	Remedial Education in English & Math at Nandesari School	510	100
11	Mobile Library- Nandesari	2,289	100
12	Mobile Library- Hyderabad	2,200	100
13	Mobile Library- Savli	2,000	100
14	STEM learning opportunity to Government primary school children- Nandesari & Roha	1,696	100
15	Home Health Aide Course- Vadodara	177	80
16	Home Health Aide Course- Hyderabad	325	100
17	Entrepreneurial Activities SHG- Nandesari	2,413	100
18	Vocational Training- Vadodara	79	100
19	Surabhi- Nandesari	1,741	100
20	Surbhi- Roha	1,354	70
21	Gram Jal Sanchay	287	100
22	Demographic Surveillance Study (DSS)- Vadodara	54,319	35
23	Demographic Surveillance Study (DSS)- Roha	20,789	35
24	Sangaath (Help Desk)- Nandesari	11,550	100

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customer complaints are received by the appropriate sales team and then communicated, entered into a dedicated web-based system for Consumer Complaint Management. These complaints are registered, investigated and communicated as per Standard Operating Procedure (SOP), Site specific SOP are in place with outlining detailed workflow and resolution processes. This process is rigorously followed across the Company for customer satisfaction.

2 Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3 Number of consumer complaints in respect of the following:

Category	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	0	0	0	
Advertising	0	0	0	0	0	
Cyber-security	0	0	0	0	0	
Delivery of essential services	0	0	0	0	0	
Restrictive Trade Practices	0	0	0	0	0	
Unfair Trade Practices	0	0	0	0	0	
Other	73	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.	60	0	Complaints received were related to delivery, packing, handling etc. All the complaints received during the year have been resolved.

4 Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company has a robust framework & policy for cyber security and for protection of Data. The IT infrastructure of the Company is secured with robust firewall systems, intrusion detection and prevention systems and access controls. The systems of the Company are protected with strong authentication mechanisms and encryption technologies to safeguard sensitive information and minimise the risk of data breaches.

6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable since no such issues.

7 Provide the following information relating to data breaches:

a Number of instances of data breaches

0

b Percentage of data breaches involving personally identifiable information of customers

0%

c Impact, if any, of the data breaches

Not applicable since no data breaches.

Leadership Indicators

1 Channels / platforms where information on products and services of the entity can be accessed(provide web link, if available).

Yes, Information relating to all products of the Company are available on the following platforms:

1. Website : https://www.godeepak.com/catalog/

2. Brochure: https://www.godeepak.com/wp-content/uploads/2024/05/DNL-Brochure-New.pdf

2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

As an intermediate chemicals manufacturing Company, our products are developed in accordance with customer-specific requirements, and our customers are well-informed about their safe usage. Nevertheless, we proactively and regularly engage with both customers and supply chain partners to promote the safe and responsible use of our products through various communication channels.

3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Although the Company does not provide essential services, it maintains effective communication with its customers and ensures they are promptly informed about any planned plant shutdowns that could impact product supply. In addition, the Company keeps all stakeholders regularly updated about any operational disruptions, regardless of the cause, through established communication channels.

4 Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

We periodically conduct customers satisfaction surveys for both our domestic and overseas customers to review and enhance our custome services and products. Additionally, we provide product information on our labels that goes beyond local legal requirements. In addition to mandatory labeling, the Company includes detailed information such as the product name, contents, hazard symbols, and the manufacturing location address for each product. This additional information is intended to promote transparency and support informed decision-making, thereby improving customer satisfaction with our services.

Independent Assurance Statement

To
The Board of Directors of Deepak Nitrite Limited

INTRODUCTION AND OBJECTIVES OF WORK

The Board of Directors of **Deepak Nitrite Limited** ('the Company') have engaged us to undertake an Independent Assurance of the Company's Sustainability / Non-Financial Performance disclosures in its Business Responsibility & Sustainability Report ('BRSR') for the financial year ended **March 31, 2025** and provide Reasonable Assurance engagement for BRSR ('Core') parameters and Limited Assurance for non-core parameters on the aforesaid Report.

Our scope of work consists of Reasonable Assurance on BRSR Core indicators in the BRSR Report, as described in the Securities and Exchange Board of India's (SEBI) circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 & SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024 and clarifications thereto, read with applicable SEBI Regulations and prescribed format, as amended.

SCOPE OF WORK

The assurance process was conducted in line with the requirements of Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The reporting boundaries considered for this reporting period are as follows:

Deepak Nitrite Limited – Registered & Corporate Office, 05 Manufacturing Plants (Nandesari, Dahej, Roha, Taloja and Hyderabad

Entire organization of **Deepak Nitrite Limited** on Standalone basis for the reporting period from **April 1, 2024** to **March 31, 2025.**

As a part of independent Reasonable Assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported. In this process, we undertook the following activities:

Assessment was conducted by means of physical site visits at **Nandesari & Dahej** and virtual site audits at **Roha, Taloja & Hyderabad Manufacturing Sites.** Bureau Veritas interviewed personnel of the Company including CSR, L&D, EHS, Administration, Opex, SCM, Stores, Sustainability and other relevant departments and review of the Company's data & information systems for collection, aggregation, analysis and review.

Data on various BRSR topics was assessed for the locations that were visited. Later, it was confirmed that the same assessed data went into preparation of the final data within the BRSR for the financial year ended March 31, 2025.

MANAGEMENT RESPONSIBILITY

The selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the BRSR are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of BRSR. Our sole responsibility is to provide independent Reasonable Assurance engagement for BRSR (Core) parameters and Limited Assurance for non- core parameters on the BRSR for the financial year ended March 31, 2025.

OUR FINDINGS

On the basis of our methodology and the activities described above,

- Nothing has come to our attention to indicate that the BRSR disclosures are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that Company has established appropriate systems for the collection, aggregation, and analysis of data on Sustainability / Non-Financial performance disclosures in the BRSR.
- The BRSR provides a fair representation of the Company's activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the Company and status during the reporting period.

LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by the Company and statements of future commitment.
- Competitive claims in the report claiming, "first company in India", "first time in India", "first of its kind", etc.

Our assurance does not extend to the activities and operations of the Company outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

Our assurance on economic and financial performance data or information of the Company is based only on the annual audited statement of accounts of the Company for the financial year ended

March 31, 2025 and our conclusions rest solely upon that audited report.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

STATEMENT OF INDEPENDENCE, INTEGRITY, AND COMPETENCE

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety, and social accountability with over 196 years' history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with the Company.

COMPETENCE

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

RESTRICTION ON USE OF OUR REPORT

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the Company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company.

Dinesh PATEL
Lead Assuror
Bureau Veritas (India) Private Limited. Vadodara, Gujarat, India.
July 19, 2025

Munji Rama Mohan RAO
Technical Reviewer
Bureau Veritas (India) Private Limited. Hyderabad, India.
July 19, 2025

Annexure-E

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

1. Brief outline on CSR Policy of the Company:

The Company is committed to improving the quality of lives of people in the community it serves through long-term stakeholder value creation. The Company's CSR policy is to remain a responsible corporate entity mindful of its social responsibilities to all stakeholders including consumers, shareholders, employees, local community and society at large.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1)	Shri Deepak C. Mehta	Chairman – ED	2	2
2)	Shri Sanjay Upadhyay	Member - ED	2	2
3)	Smt. Purvi Sheth	Member – ID	2	2
4)	Shri Punit Lalbhai	Member – ID	2	1

(Abbreviations: ED: Executive Director; ID: Independent Director)

3. Provide web-link of Composition of CSR Committee, CSR Policy of the Company and CSR projects approved by the board and disclosed on the website of the Company.

https://www.godeepak.com/investorcompliances/

https://www.godeepak.com/socialresponsibility-activities/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

During FY 2024-25, the Company has undertaken three (3) Impact Assessment studies for the following CSR Projects conducted by Renalysis Consultants Private Limited, an independent external agency:

1. Project Mobile Health Unit
2. Project Vivek Vidya
3. Project Sangaath

The study not only details the impact and the benefits accrued by the community, but also proposes some recommendations. The Impact Assessment Report of the study undertaken voluntarily is uploaded on the website at godeepak.com/social-responsibility-activities/

5.

(a)	**Average net profit of the company as per section 135(5).**	:	₹ 602.86 Crores
(b)	**Two percent of average net profit of the company as per section 135(5).**	:	₹ 12.06 Crores
(c)	**Surplus arising out of the CSR Projects or programs or activities of the previous financial years.**	:	Nil
(d)	**Amount required to be set off for the financial year, if any.**	:	₹ 0.76 Crores
(e)	**Total CSR obligation for the financial year [(b)+(c)-(d)].**	:	₹ 11.29 Crores

6.

(a)	**Amount spent on CSR Projects (both ongoing and other than ongoing projects).**	:	₹ 11.77 Crores
(b)	**Amount spent in Administrative Overheads.**	:	₹ 0.06 Crores
(c)	**Amount spent on Impact Assessment, if applicable.**	:	₹ 0.11 Crores
(d)	**Total amount spent for the Financial Year [(a)+(b)+(c)].**	:	₹ 11.94 Crores

(e) CSR amount spent or unspent for the Financial Year:

₹ in Crores

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section(5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 11.94	Nil	--	Nil	Nil	Nil

(f) Excess amount for set off, if any :

₹ in Crores

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹ 11.29
(ii)	Total amount spent for the Financial Year	₹ 11.94
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 0.65
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years[(iii)-(iv)]	₹ 0.65

*Net of excess contribution from previous years set-off in the current financial year.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Year:

₹ in Crores

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Years(s)	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount Spent in the Financial Year	Amount transferred to Fund as specified under Schedule VII as per second proviso to Section 135(5) if any		Amount remaining to be spent in succeeding financial years	Deficiancy, if any
					Amount	Date of Transfer		
1.	2023-24	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	2022-23	0.70	Nil	₹ 70	Nil	Nil	Nil	Nil
3.	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	TOTAL	**0.70**	**Nil**	**₹ 70**	**Nil**	**Nil**	**Nil**	**Nil**

8. Whether any capital assets have been created or acquired through CSR spent in the Financial Year: Yes

If yes, enter the number of capital assets created/acquired 75

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
A	**Mobile Health Unit** Bunglow No-700, South Side on Dahej Road, Hinglot, Bharuch	392012			CSR Registration No: CSR00000353	**Deepak Foundation**	**Address:** Nijanand Ashram premises, Adjoining L&T Knowledge City, on NH-8, Vadodara – 390019, Gujarat, India
1	Medical Equipment		03-05-2024	7,080/-			
2	Medical Equipment		30-07-2024	29,500/-			
3	Mobile		30-07-2024	12,500/-			
B	**Mobile Health Unit** Saraswati Bunglow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
4	Medical Equipment		30-04-2024	1,416/-			
5	Furniture & Fixtures		30-11-2024	16,000/-			
6	Computer & Printer		13-01-2025	21,000/-			
7	Furniture & Fixtures		26-02-2025	3,500/-			
8	Furniture & Fixtures		28-02-2025	3,100/-			
9	Medical Equipment		28-02-2025	2,478/-			

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
C	**Mobile Health Unit** Laxmi Public School, Malewadi, Near Anand Nagar Shilotar- Raichur, Sukhapur, Ta- Panvel, Dist. -Raigad	410206					
10	Medical Equipment		31-05-2024	31,270/-			
11	Medical Equipment		15-03-2025	2,478/-			
D	**Setting up Palliative Care Facilities** Sarakari Andh Sala, Behind Ghelani Petrol Pump, Pensionpura, Nizampura Road, Vadodara	390002					
12	Medical Equipment		31-07-2024	1,003/-			
13	Mixer Grinder		31-07-2024	1,899/-			
14	Medical Equipment		19-11-2024	3,730/-			
15	Medical Equipment		31-01-2025	3,360/-			
E	**Medical Buggy** Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&T Knowledge City, On NH-8, Ta & Dist. Vadodara	390019					
16	Vehicle		24-02-2025	1,60,000/-			
F	**Mobile Library** Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
17	Computer & Printer		28-03-2025	22,650/-			
G	**ICDS Program** Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
18	Tablets		26-06-2024	75,000/-	CSR Registration No: CSR00000353		
19	Interactive Flat Panel 65 inch		28-06-2024	4,13,000/-			
20	Computer/Printer/Scanner		09-10-2024	35,150/-			
21	Furniture & Fixture		09-01-2025	7,080/-			
22	Tablet		28-01-2025	17,800/-			
H	**Mobile Library** Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340			**Deepak Foundation** **Address:** Nijanand Ashram premises, Adjoining L&T Knowledge City, on NH-8, Vadodara – 390019, Gujarat, India		
23	Laptop		11-02-2025	31,900/-			
I	**Mobile Library** 19-5, Opp Rodamestri Nagar Bus Stop, Gajularamaram Road, Quthbullapur, Jeedimetla, Pin-500055, Hyderabad	500055					
24	Computer/Printer/Scanner		31-12-2024	58,500/-			
25	Projector		31-12-2024	16,500/-			
J	**Mobile Library** Beside jay Ambe Hostel, Behind Gujarat Homeopathic Medical College, Savli	391770					
26	Tablets		24-06-2024	75,500/-			
27	Dash Camera		12-03-2025	5,133/-			
K	**STEM Nandesari** Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
28	Equipment/Computer/Printer		24-10-2024	30,000/-			
L	**STEM Roha** Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
29	Computer/Printer/Scanner		26-12-2024	33,630/-			
30	Tablet		28-02-2025	13,980/-			
31	Furniture & Fixtures		28-02-2025	9,750/-			

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
M	**Home Health Aide Course** 19-5, Opp Rodamestri Nagar Bus Stop, Gajularamaram Road, Quthbullapur, Jeedimetla, Pin-500055, Hyderabad	500055					
32	Camera		30-06-2024	5,000/-			
33	Bio Metric Machine		31-07-2024	8,260/-			
34	LED TV		31-12-2024	58,000/-			
35	Furniture & Fixture		28-03-2025	69,000/-			
36	Lab Equipment		28-03-2025	9,625/-			
37	LED TV		28-03-2025	31,900/-			
38	Water Purifier		28-03-2025	8,500/-			
N	**Home Health Aide Course** Within Nijanand Ashram, Near Laxmi Studio, Adjoining L&T Knowledge City, On NH-8, Ta & Dist. Vadodara	390019					
39	Mobile		30-08-2024	8,499/-			
O	**Entrepreneurial Activities through SHG Deepak** Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
40	Furniture & Fixture		27-07-2024	14,800/-			
41	Computer/Printer/Scanner		14-10-2024	22,000/-			
42	Furniture & Fixture		28-02-2025	5,175/-			
43	Sewing Machine		26-03-2025	40,400/-			
P	**Surabhi** Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340			CSR Registration No: CSR00000353 **Deepak Foundation** **Address:** Nijanand Ashram premises, Adjoining L&T Knowledge City, on NH-8, Vadodara – 390019, Gujarat, India		
44	Equipment/Assets		18-11-2024	30,000/-			
45	Refrigerator		09-12-2024	12,500/-			
Q	**Kamdhenu** Saraswati Bunglow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
46	Furniture & Fixture		31-12-2024	3,500/-			
47	Tablet		22-07-2024	31,860/-			
R	**Sangaath** Deepak Medical Foundation, Near GIDC Office, Nandesari, Vadodara	391340					
48	Furniture & Fixtures		30-06-2024	19,352/-			
49	Furniture & Fixtures		02-09-2024	4,000/-			
50	Inverter/Battery		06-09-2024	19,500/-			
51	Speaker with Mic		09-09-2024	6,499/-			
S	**Sangaath** Saraswati Bungalow (Tamhankar), Chatrapati Sivaji Nagar, Near Sanjay Gandhi Hospital, Roha	402109					
52	Computer/Printer/Scanner		31-07-2024	4,970/-			
53	Furniture & Fixtures		31-08-2024	26,475/-			
54	Computer/Printer/Scanner		25-09-2024	52,950/-			
55	Lamination Machine		25-09-2024	15,450/-			
56	Tablet		25-09-2024	31,860/-			
57	Furniture & Fixtures		26-09-2024	10,900/-			
58	Equipment		07-11-2024	3,540/-			
59	Equipment		24-02-2025	14,000/-			
60	Furniture & Fixtures		24-02-2025	14,050/-			
61	Equipment		28-02-2025	6,200/-			
62	Furniture & Fixtures		24-03-2025	4,500/-			

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or Asset(s)	Date of Creation	Amount of CSR spent (in ₹)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
63	Equipment		31-03-2025	4,499/-			
T	**Sangaath** At Reva Ginning and Pressing Factory, Kawant Boriyad Road, In Front of Hardik Hospital, Naswadi	391150					
64	Biometric Machine		18-09-2024	10,500/-			
65	Furniture & Fixtures		31-12-2024	4700/-			
66	Computer/Printer/Scanner		12-09-2024	17,400/-			
67	Computer/Printer/Scanner		12-03-2025	16500/-			
68	Tablet/Lamination machine		12-03-2025	35000/-			
U	**Mobile Health Unit** Ramnagar – 1, Nearby keshar hospital, Bodeli Road, Kawant Chhotaudepur	391170			CSR Registration No: CSR00000353 **Deepak Foundation** **Address:** Nijanand Ashram premises, Adjoining L&T Knowledge City, on NH-8, Vadodara – 390019, Gujarat, India		
69	Medical Equipment		12-07-2024	29,500/-			
V	**Help Desk** New Emergency ward, Besides Bhatuji Mandir, SSG Hospital, Vadodara	390001					
70	CCTV Camera		22-10-2024	32,721/-			
71	FAN		12-03-2025	9116/-			
72	Furniture & Fixture		21-03-2025	11950/-			
73	Furniture & Fixture		25-03-2025	74340/-			
74	Projector		25-03-2025	14,200/-			
W	**Vocational Training** Samaj Suraksha Sankul, Sarkari Andh Shala, B/h, Ghelani Petrol Pump, Pensionpura, Nizampura road, Vadodara	390002					
75	Computer/Printer/Scanner		31-01-2025	31,900/-			
	TOTAL			**20,31,478/-**			

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
Chairman of CSR Committee
(DIN: 00028377)

Date: May 28, 2025
Place : Vadodara

Annexure-F

NOMINATION AND REMUNERATION POLICY

[Adopted by the Board of Directors on 2nd May, 2014;
Last reviewed and amended by the Board of Directors on 13th February, 2025]

1. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Regulations as amended from time to time, this policy on nomination and remuneration of Directors on the Board of the Company, Key Managerial Personnel and other employees in the Senior Management is formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and of the Listing Regulations with the Stock Exchanges.

This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, appointment and removal of the Directors, Key Managerial Personnel and Senior Management employees and matters relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Pursuant to the requirement of Section 178 of the Companies Act, 2013 and the Listing Regulations with the Stock Exchanges, the Company has a duly constituted Nomination and Remuneration Committee.

2. OBJECTIVE OF THE POLICY

2.1. The objective of this Policy is to outline a framework to ensure that the Company's remuneration levels are aligned with best industry practices and are good enough to attract and retain competent Directors on the Board, Key Managerial Personnel and the Senior Management Personnel of the quality required. The key objectives of this Policy include:

(i) guiding the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management employees.

(ii) evaluating the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

(iii) recommending to the Board the remuneration payable to the Directors and setting forth a policy for determining remuneration payable to Key Managerial Personnel and Senior Management employees.

2.2. While determining the remuneration for the Directors, Key Managerial Personnel and Senior Management employees, regard should be given to prevailing market conditions, business performance and practices in comparable companies, also to financial and commercial health of the Company as well as prevailing laws and government/other guidelines, to ensure that pay structures are appropriately aligned and the levels of remuneration remain appropriate.

2.3. While designing the remuneration package it should be ensured:

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate person, to ensure the quality required to run the Company successfully.

(ii) Remuneration to Directors, Key Managerial Personnel and Senior Management employees involves a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

2.4. Some part of the remuneration package may be linked to the achievement of corporate performance targets of the Company and a strong alignment of interest with stakeholders.

2.5. The Committee shall observe the set of principles and objectives as envisaged under the Companies Act, 2013 ("Act") (including Section 178 thereof), rules framed there under and the Listing Regulations including, inter-alia, principles pertaining to determining qualifications, positives attributes, integrity and independence.

2.6. In this context, the following Policy has been formulated by the Nomination and Remuneration Committee and recommended to the Board of Directors for adoption.

3. EFFECTIVE DATE

This Policy shall be effective from the date of its adoption by the Board.

4. DEFINITIONS

4.1. In this Policy the following terms shall have the meaning assigned to them:

(i) "**Act**" means The Companies Act, 2013 and rules made thereunder.

(ii) "**Board of Directors**" or "**Board**" means the Board of Directors of the Company.

(iii) "**Committee**" means Nomination and Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulations.

(iv) "**Company**" means "Deepak Nitrite Limited."

(v) "**Director**" shall mean a member of the Board of Directors of the Company appointed from time to time in accordance with the Articles of Association of the Company and provisions of the Act.

(vi) "**Employees' Stock Option**" means the option given to the Directors, other than Independent Directors, officers or employees of a Company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

(vii) "**Executive Director**" shall mean a Director who is in the whole-time employment of the Company other than Managing Director.

(viii) "**Financial Year**" shall mean the period ending on the 31st day of March every year.

(ix) "**Independent Director**" shall mean a Director referred to in Section 149 (6) of the Act read with the Listing Regulations.

(x) "**Key Managerial Personnel**" or "KMP" shall have the meaning ascribed to it in the Act.

(xi) "**Listing Regulations**" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and for the time being in force.

(xii) "**Managing Director**" means a Director who, by virtue of the Articles of Association of the Company or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.

(xiii) "**Policy**" or "**this Policy**" means, "Nomination and Remuneration Policy."

(xiv) "**Remuneration**" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

(xv) "**Senior Management**" means the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

4.2. Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and/or Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. APPLICABILITY

This Policy is applicable to:

(i) Directors (Managing Director, Executive Director, Independent Director and Non-Independent Director)

(ii) Key Managerial Personnel

(iii) Senior Management employees

(iv) Other Employees

6. NOMINATION AND REMUNERATION COMMITTEE

6.1. Role of the Committee:

(a) Identifying persons who are qualified to become Director and who may be appointed in Senior Management cadre in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

(b) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy, relating to the remuneration for the Directors, Key Managerial Personnel and employees.

(c) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare

a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(d) Formulating the criteria for evaluation of Independent Directors and the Board.

(d) Devising a policy on Board diversity.

(e) Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors.

(f) The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Executive Directors.

(g) While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.

(h) 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.

(i) recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

(j) any other role as may be specified by the Board.

6.2. Composition of the Committee

(a) The Committee shall comprise of at least three (3) Directors, all of whom shall be non-executive Directors and at least two-thirds shall be Independent Directors.

(b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Act and/or the Listing Regulations.

(c) Composition of the Committee shall be disclosed in the Annual Report.

(d) Term of the Committee shall continue unless terminated by the Board of Directors.

6.3. Chairman of the Committee

(a) Chairman of the Committee shall be an Independent Director.

(b) Chairman of the Company (whether Executive or non-Executive) may be appointed as a member of the Committee but shall not Chair the Committee.

(c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

(d) Chairman of the Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6.4. Frequency of the Meetings of the Committee

The meeting of the Committee shall be held at such intervals as may be required.

6.5. Committee Member's Interest

(a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

(b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

6.6. Quorum

The quorum necessary for transacting business at a meeting of the Committee shall be two (2) members or one-third of the members of the Committee, whichever is higher, including at least one independent director in attendance.

6.7. Voting at the Meeting

(a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.

(b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

7. APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

7.1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director, KMP and Senior Management employee.

7.2. A person should possess adequate qualifications, expertise and experience for the position he/ she is considered for

appointment as a Director, Key Managerial Personal or Senior Management employee.

7.3. The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for such appointment.

7.4. The appointment as recommended by the Committee to the Board shall be subject to the approval of the Board.

7.5. Criteria for appointment of Independent Director:

7.5.1. The proposed appointee shall comply with the criteria specified in the relevant provisions of the Act and/or the Listing Regulations. He or she shall not, directly or indirectly, represent the interest of any specific vendor or customer or stakeholder and shall have business reputation and strong ethical standards and possess leadership skills and business experience including board procedures.

7.5.2. The Independent Director shall fulfill the qualification and requirements specified under the Act and Listing Regulations.

7.5.3. He or she shall also declare his or her independent status prior to appointment to the Board and maintain the same during his or her tenure as an Independent Director. Being a Director of the Company, he or she shall adhere to the Code of Conduct stipulated for the Director.

7.6. Criteria for appointment of Managing Director/ Executive Director:

7.6.1. The Company can have more than one Managing Director or Executive Director.

7.6.2. The appointee(s) shall have good educational background, preferably with specialization in the field. He shall have exemplary skills and leadership qualities to lead the Company or as the case may be the function assigned to him.

7.6.3. Depending on the role and responsibility, he shall have hands on experience in the relevant filed. For example as ED (Operations) is expected to have adequate knowledge and experience about the plant operations and related issues. The suitability of the candidate shall be determined on case-to-case basis by the Committee. Being a Director of the Company, Managing Director / Executive Director shall adhere to the Code of Conduct stipulated for the Director.

7.6.4. He or she shall fulfill the conditions as specified under Part I of Schedule V of the Act. However, in case the conditions specified under Part I of Schedule V of the Act is not fulfilled, such appointments shall be subject to the approval of the Central Government.

7.7. Criteria for appointment of KMPs:

7.7.1. Pursuant to the requirement of Section 203 of the Act, the Company is required to appoint a Managing Director / Manager / Chief Executive Officer and in their absence an Executive Director as Whole Time KMP.

7.7.2. The Company may also appoint a Chief Executive Officer (CEO) who may or may not be a Director. The qualification, experience and stature of the CEO could be in line with that of the Executive Director. Where the CEO is designated as KMP, he shall act subject to the superintendence and control of the Board.

7.7.3. The Company is also required to appoint a Chief Financial Officer (CFO) as KMP as per the requirement of the Act. The CFO shall preferably be a Chartered Accountant or a Cost & Management Accountant or holds an equivalent qualification and have relevant work experience. He shall be well versed with finance function including but not limited to funding, taxation, forex and other core matters. As required under the Listing Regulations, the appointment of CFO shall be subject to approval of the Audit Committee.

7.7.4. As required under the said Section of the Act, a Company Secretary (CS) is also required to be appointed by the Company as a KMP. The CS shall have the prescribed qualification and requisite experience to discharge the duties specified in law and as may be assigned by the Board / Managing Director / Executive Director from time to time.

7.7.5. KMPs, other than Managing Director and/or Executive Director shall adhere to the Code of Conduct stipulated for the Senior Management.

7.8. Criteria for appointment of Senior Management employees:

7.8.1. Senior Management employees shall possess the requisite qualifications, expertise and experience depending upon the requirement of the relevant position.

7.8.2. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

7.8.3. Senior Management employees shall adhere to the Code of Conduct stipulated for the Senior Management.

7.9. Term / Tenure

7.9.1. Managing Director and Executive Director

The Company shall appoint or re-appoint any person as its Managing Director / Executive Director for a term not

exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.

7.9.2. Independent Director

(a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

(b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

(c) The Independent Director shall comply with the requirement of number of directorships he or she can hold as prescribed under the provisions of the Act or the Listing Regulations including any amendment thereto from time to time.

7.10. Familiarization Programme for Independent Directors

The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

7.11. Evaluation

7.11.1. Subject to Schedule IV of the Companies Act, 2013 and Listing Regulations, the Committee shall carry out the evaluation of Directors periodically.

7.11.2. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

7.11.3. The Independent Directors at their separate meeting shall review, on yearly basis, the performance of Non-Independent Directors and the Board as a whole.

7.11.4. The Independent Directors at their separate meeting shall also review, on yearly basis, the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

7.11.5. The entire process of the Performance Evaluation shall be kept in strict confidence and shall not be disclosed to any person except to those required to perform their duties under the Act.

7.11.6. All the records of Performance Evaluation process and outcome shall be maintained by the Company Secretary of the Company and shall be kept at the Registered Office of the Company. Such records shall be preserved till such time as may be decided by the Board from time to time or as required under the Act.

7.12. Removal

Due to reasons for any disqualification mentioned in the Act, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP and Senior Management employees subject to the provisions and compliance of the applicable laws, rules and regulations.

7.13. Retirement

The Director, KMP and Senior Management employees shall retire as per the applicable provisions of the Act and/or the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management employees in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company, in accordance with the provisions of the Act and approval of members, wherever required.

8. REMUNERATION

8.1. Remuneration to Managing Director:

8.1.1. The remuneration comprising of salary, allowance, perquisites and other benefits payable to Managing Director will be determined by the Committee and recommended to the Board for approval.

8.1.2. In addition to the remuneration as stated in 8.1.1. above, Managing Director shall also be paid a Commission, calculated with reference to the Net Profits of the Company in a particular Financial Year, as may be determined by the Board of Directors, subject to the overall ceiling stipulated in Section 197 and other relevant provisions of the Act.

8.1.3. The Managing Director shall be entitled to the following perquisites / allowances:

(i) Housing – Rent free furnished residential accommodation. In case no accommodation is provided by the Company, Managing Director shall be paid house rent allowance as may be decided by the Board of Directors.

(ii) Re-imbursement of gas, electricity, water charges and furnishings.

(iii) Re-imbursement of medical expenses incurred for self and members of his family, as per rules of the Company.

(iv) Leave travel concession for self and members of his family, as per rules of the Company.

(v) Fees of clubs subject to maximum of two clubs.

(vi) Medical insurance, as per rules of the Company.

(vii) Personal Accident Insurance, as per rules of the Company.

(viii) Provision of car and telephone at residence.

(ix) Company's contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave, as per rules of the Company.

(x) Retirement and other benefits, as per rules of the Company.

8.1.4. The remuneration and commission to be paid to the Managing Director shall be as per the statutory provisions of the Act and the rules made thereunder for the time being in force and shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

8.1.5. The remuneration / commission payable to Managing Director shall be reviewed by the Board after close of each Financial Year and based on the Profits made by the Company in that Financial Year, Managing Director shall be paid such enhanced remuneration as the Board may decide subject to the ceiling limits specified in Section 197 and other applicable provisions of the Act read with Schedule V of the Act.

8.1.6. The Managing Director shall not be entitled to sitting fees for attending the meetings of the Board or any Committee thereof.

8.2. Remuneration to Executive Director:

8.2.1. Fixed Pay

(a) Executive Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the provisions of the Act and rules made thereunder for the time being in force.

(b) The Fixed Pay of Executive Director shall comprise of salary, perquisites, allowances and other benefits. The perquisites, allowances and other benefits to the Executive Director may include the following:

(i) Re-imbursement of medical expenses incurred for self and members of his family, as per policy of the Company.

(ii) Leave travel concession for self and members of his family, as per policy of the Company.

(iii) Medical and other insurances, as per policy of the Company.

(iv) Company Car with Driver.

(v) Company's contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave, as per the policy of the Company.

(vi) Retirement and other benefits, as per policy of the Company.

(vii) Hardship Allowance, as may be decided by the Company.

(c) The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F. pension scheme, medical expenses etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

8.2.2. Variable Pay

In addition to the salary, perquisites, allowances and other benefits as mentioned above, Executive Director will also be entitled to a Variable Pay. The amount of Variable pay shall be paid annually after the end of each Financial Year. The amount of Variable Pay shall be paid annually after the end of each Financial Year. The Variable Pay shall be 25% of the fixed pay, subject to terms of appointment of respective Executive Director. This amount of variable pay shall be paid annually after the end of each Financial Year and will be entirely based on the individual's performance and Company's performance and may vary from 0% to 100% of the variable pay as per policy of the Company. Such Variable Pay for a particular Financial Year shall be recommended by the Nomination and Remuneration Committee to the Board of Directors.

8.2.3. Loyalty Bonus

In addition to the above, Executive Director shall also be entitled for the Loyalty Bonus as per policy of the Company.

8.2.4. Payment of Variable component / Increments

(a) Payment of Variable component of the remuneration of the Executive Director for a particular Financial Year and increments to the existing remuneration structure of Executive Director shall be recommended by the Chairman & Managing Director of the Company to the Committee based upon the individual performance and also the Company's performance as per policy of the Company.

(b) The Committee shall review the payment of Variable component of the remuneration of the Executive Director for a particular Financial Year and increments to the existing remuneration structure of Executive Director as recommended by the Chairman & Managing Director of the Company and recommend the same to the Board for its approval. Such Variable component and proposed enhanced remuneration as recommended by the Committee to the Board should be within the overall limits of managerial remuneration as prescribed under the Act and rules made thereunder.

(c) The Executive Director shall also be entitled to reimbursement of all legitimate expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.

8.2.5. Executive Director shall not be entitled to sitting fees for attending meetings of the Board or any Committee thereof.

8.3. Minimum Remuneration

Where, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director(s) and Executive Director(s) in accordance with the provisions of Schedule V of the Act.

8.4. Remuneration to Independent Director and Directors other than Managing Director/ Executive Director:

8.4.1. Sitting Fees

The Independent Director / Directors other than Managing Director and Executive Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The Sitting Fee paid to Independent Directors, shall not be less than the Sitting Fees payable to other Directors.

The sitting Fees payable to Independent Director/Directors other than Managing Director and Whole-time Director shall be decided by the Board of Directors from time to time and shall be reviewed every 3 (Three) years.

8.4.2. Commission on the Net Profits

Apart from receiving the Sitting Fees, Independent Director(s) / Non-Independent Director(s) may be paid Commission on the Net Profits of the Company for a particular Financial Year within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the Net Profits of the Company computed as per the applicable provisions of the Act. The amount of Commission payable to each Independent Director / Non-Independent Director for a particular Financial Year shall be decided by the Chairman of the Company and shall be approved by the Board.

Independent Director/ Director other than Managing Director and Executive Director shall also be entitled to re-reimbursement of all legitimate expenses incurred by him for attending the meetings of Board or Committee thereof.

8.4.3. Stock Options

Independent Director shall not be entitled to any stock option of the Company or Subsidiary Companies.

8.5. Provisions for excess remuneration

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. Subject to the approval of Central Government, the Shareholders of the Company may waive recovery of such excess remuneration by passing an Ordinary Resolution.

8.6. Remuneration to Key Managerial Personnel and Senior Management employees:

8.6.1. The remuneration to Key Managerial Personnel and Senior Management employees shall comprise of Fixed Pay and Variable Pay and governed by the Company's HR Policy.

8.6.2. Remuneration of a KMP and Senior Management at the time of their appointment will be recommended by the Managing Director / Executive Director to the Committee. The Committee shall review such remuneration and recommend the same to the Board for approval. Any subsequent modification to the remuneration of Key Managerial Personnel shall also be recommended by the Managing Director/Executive Director to the Committee for its review and recommending to the Board for approval.

8.6.3. Fixed Pay

The Fixed Pay of Key Managerial Personnel and Senior Management employees shall comprise of salary, perquisites, allowances and other benefits as per policy of the Company. The break-up of the pay scale and quantum of perquisites including but not limited to employer's contribution to P.F, pension scheme, medical expenses etc. shall be as per Company's HR Policy.

8.6.4. Variable Pay

The remuneration of KMP and Senior Management employees will also comprise performance linked variable pay. The amount of variable pay will be 16% of their fixed pay.

This amount of variable pay shall be paid annually after the end of each Financial Year and will be entirely based on the individual's performance and Company's performance and may vary from 0% to 100% of the variable pay as per policy of the Company. Such Variable Pay for a particular Financial Year shall be recommended by the Nomination and Remuneration Committee to the Board of Directors.

8.6.5. Loyalty Bonus

In addition to the above, KMP and Senior Management employees shall also be entitled to Loyalty Bonus as per policy of the Company.

8.7. The remuneration to other employees of the Company shall be governed by the Company's HR Policy.

8.8. Stock Options

8.8.1. With the objective to incentivize and retain key talent within the Group as well as to motivate the Employees to contribute towards growth and profitability, the Board of Directors of the Company, approved 'Deepak Nitrite Limited Employee Stock Option Scheme-2024' ('DNL-ESOP Scheme-2024').

The Shareholders of the Company, vide a Special Resolution passed on 19th April, 2024, approved the ESOP Scheme-2024. Further, in terms of requirements of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Shareholders of Company have also by way of a separate Special Resolution, approved extending the DNL-ESOP Scheme-2024 to the employees of Subsidiary Companies of the Company.

Accordingly, Stock Options of DNL may be offered to Executive Director(s), Key Managerial Personnel and other employees of the Company in terms of the DNL-ESOP Scheme-2024 ('eligible employees').

8.8.2. The Committee, while considering the revision in remuneration of eligible employees for the period(s) subsequent to granting of Stock Options to them, shall consider their total remuneration, which shall also include monetary value of benefit arising from vested Stock Options, in compliance with applicable provisions of law.

8.9 Loans and Advances to Employees

(a) The Loan, advance and other financial assistance facilities to the employees shall be governed by the DNL HR policy as amended from time to time and shall be considered as a part of 'conditions of service' for employees of the Company.

(b) Advances to the employees for the purpose of performance of his duties shall be governed by the DNL HR Policy as amended from time to time and shall be considered as a part of 'conditions of service' for employees of the Company.

9. BOARD DIVERSITY

9.1. The Board of Directors shall have the optimum combination of Directors from the different areas / fields like operations, projects, production, management, quality assurance, finance, legal, sales and marketing, research and development, Human Resources etc. or as may be considered appropriate.

9.2. The Board shall have at least one Director who has accounting or related financial management expertise.

10. DISCLOSURE

This Policy shall be placed on the website of the company and the salient features of the policy along with other details as required under the provisions of law, shall be disclosed in the Board's Report.

11. REVIEW OF THE POLICY

This Policy shall be reviewed by the Committee after every three years.

12. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of the Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the competent authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-G

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013:

PART (A) – DISCLOSURE AS REQUIRED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2025 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year ended March 31, 2025:

Name of the Director/ KMP	% Increase in Remuneration in the F.Y. 2024-25*	Ratio to Median Remuneration
Shri Deepak C. Mehta Chairman & Managing Director	14.21	137.38
Shri Sanjay Upadhyay Director(Finance) & Group CFO	12.01	95.37
Shri Maulik Mehta Executive Director & CEO	16.75	79.07
Shri Girish Satarkar Executive Director	10.45	38.82
Shri Ajay C. Mehta Non-Executive Director	0.00	2.40
Shri Meghav Mehta Non-Executive Director	0.00	2.40
Shri Sanjay Asher Independent Director	(33.33)	3.19
Smt. Purvi Sheth Independent Director	(16.67)	3.99
Shri Dileep Choksi Independent Director	(25.00)	2.40
Shri Punit Lalbhai Independent Director	0.00	2.40
Shri Vipul Shah Independent Director	0.00	2.40
Shri Prakash Samudra[1] Independent Director	(50.00)	2.40
Shri Somsekhar Nanda Chief Financial Officer	14.67	NA
Shri Arvind Bajpai Company Secretary	11.82	NA

* Excluding sitting fees.

[1]. Shri Prakash Samudra ceased to be Independent Director from close of business hours on April 9, 2025.

Notes:

1. In the Financial Year 2024-25, there was an increase of 8.2% in the median remuneration of employees.

2. There were 1,757 permanent employees on the rolls of the Company as on March 31, 2025.

3. Average Percentile increase already made in the salaries of employees other than Managerial Personnel in the last Financial Year was 11.95% and average percentile increase in remuneration of Managerial Personnel was 13.35%.

   Shri Deepak C. Mehta, Chairman & Managing Director of the Company is also Chairman & Managing Director of Deepak Phenolics Limited ("DPL") a Wholly Owned Subsidiary of the Company.

   As per the term of his appointment, he is entitled to profit related commission from DPL. For the Financial Year 2024-25, the Commission to Shri Deepak C. Mehta is ₹ 18 Crores.

   Average increase in remuneration of both, managerial and non-managerial personnel were determined based on the overall performance of the Company.

   Key result areas of the managerial personnel are broadly to achieve Company's growth and performance target, achieving the same against various adverse externalities globally, devising sustenance strategy to combat global forces like competition, exchange rate etc, which, in turn, enhance shareholders' value. Remuneration of the managerial personnel is based on the Nomination and Remuneration Policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

   As against above, remuneration for non-managerial personnel is based on an internal evaluation of assigned target area which are broken into subsets of key result areas of the managerial personnel.

4. It is affirmed that the remuneration is as per the Nomination & Remuneration Policy of the Company.

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
(DIN: 00028377)

Place : Vadodara
Date : May 28, 2025

Annexure-H

INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy:

(i) Steps taken or impact on conservation of energy:

- At Dahej, power optimised by installing FRP fan blades at cooling towers.
- At NDS, vent steam utilised by generating low pressure steam resulted in less steam consumption from source.
- Power optimisation by process innovation during re crystallisation of Sodium Nitrite.
- Power optimisation in centrifugal pumps by internal coating.
- Introduced system to utilize wet cake instead of Dry powder in OBA resulting in reduction in drying cost.
- Implementation of Smart Power Optimizer: Smart Power Optimization (Smart PO) works on the principle of predictive load curve simulation on electrical circuit using ML/AI algorithm. Successfully commissioned Smart Power Optimiser Panels at Nandesari, Dahej and Roha Plant which has started 9 % of power savings.
- Implementation of Scaleban Technology: Successfully commissioned Scaleban Technology at Roha Plant which has started savings in steam consumption. Scaleban' s technology can assist in achieving Zero Liquid Discharge (ZLD) sustainably on a very cost-effective basis without relying on costly conventional technologies.
- Mechanical Vapour Compression (MVR): Successfully commissioned MVR at Nandesari and Roha Plant. MVR technology can assist in achieving Zero Liquid Discharge (ZLD) sustainably on a very cost-effective basis without relying on costly conventional technologies.

(ii) Steps taken for utilizing alternate sources of energy:

- Use of PRT (Pressure Reducing Turbine) to generate power in place of PRV (Pressure Reducing Valve).
- Started receipt of power from alternate sources. Successfully initiated drawl of Solar power for its Nandesari Plant to replace 20% of total conventional power. Initiative will be extended to other plants with higher replacement in FY 2025-26.

(iii) Spend on energy capex in FY 2024-25:

- Total ₹ 12.18 Crores capex are approved related to energy conservation.

(B) Technology Absorption:

(i) Efforts made towards Technology Absorption:

- Technology developed for import substituted products.
- In-house development of "platform technology" where similar chemistry can be successfully intensified at world best level.

(ii) Benefits derived like product yield improvement, cost reduction, product development or import substitution:

- Innovative processes developed for import substituted products in the in-house Research & Development facility through Process Engineering Research & Innovation (PERI) Lab.
- Continuous chemical processes developed to reduce raw materials consumption norms and by-products formation, also evaluated alternative routes to make cheaper and cleaner technologies.
- Batch Process yield improvement been successfully demonstrated and running commercially for better sustainability in the market and cost reduction to build profit.

(iii) Information regarding technology imported, during the last 3 years: Nil

(iv) Information regarding in-house technology developed, during the last 3 years: 5 nos & Applied for patent : 3

(v) Expenditure incurred on Research and Development:

(₹ in Crores)

Particulars	2024-25	2023-24
a) Capital	0.73	9.13
b) Recurring	21.60	20.33
Total	**22.33**	**29.46**
Total R&D expenditure as a percentage to total turnover	0.88%	1.08%

(C) Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(₹ in Crores)

Particulars	2024-25	2023-24
Total Foreign Exchange Earned	1141.32	1277.51
Total Foreign Exchange Outgo	439.27	378.54

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
(DIN: 00028377)

Place : Vadodara
Date : May 28, 2025

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Deepak Nitrite Limited's ("the Company") commitment to Corporate Governance guides its business decisions while ensuring financial responsibility, ethical conduct, and fairness to all stakeholders including employees, customers, shareholders, regulators, suppliers, bankers and the society at large.

The Company's philosophy on Corporate Governance envisages the attainment of a high-level transparency and accountability in the functioning of the Company and the efficient conduct of its business. Accountability improves decision making and transparency helps to explain the rationale behind decisions, which in turn helps in building confidence in the Company. The Company firmly believes that for a company to succeed on a sustained basis and to meet the various challenges posed on account of changing business environment and stakeholder's expectation, it must maintain global standards of Corporate Conduct.

Corporate Governance refers to the set of principles, values and processes that guide the management and board of a company. It is essential for the long-term success of any business, as it ensures accountability, transparency and ethical decision-making. The foundation of a successful enterprise is built on excellent corporate governance practices and strong leadership is vital to achieving this.

The Company has complied with requirements stipulated under Regulation 17 to 27, Schedule V and Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable with regard to Corporate Governance.

2. BOARD OF DIRECTORS

(i) Composition of Board of Directors

The Board of the Company comprises highly experienced persons of repute and eminence and has an optimal mix of professionalism, knowledge and experience that enables it to discharge its responsibilities and provide effective leadership to the business.

The Board of the Company has an optimum combination of Executive and Non-Executive Directors including Independent Directors. The Board composition is in conformity with the applicable provisions of the Companies Act, 2013 ("Act") and Listing Regulations, as amended, from time to time.

As a part of the Board's succession planning exercise, the Board composition is periodically reviewed to ensure that it continues to be closely aligned with the Company's strategy, long term needs and skill matrix.

As on March 31, 2025, the Board consists of twelve (12) Directors out of which, four (4) are Executive Directors including Managing Director and Chief Executive Officer and eight (8) are Non-Executive Directors.

Out of eight (8) Non-Executive Directors, six (6) are Independent Directors including one (1) woman Independent Director.

The Chairman of the Company is the Executive Director and Promoter of the Company. The requirement of Listing Regulations that the number of Independent Directors shall be at least one–half of the Board is complied with during the Financial Year ended March 31, 2025, as the Company has six (6) Independent Directors.

All of the Independent Directors have extensive business experience and are considered by the Board to be independent of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

The Board reviews its composition, competency and diversity from time to time to ensure that it remains aligned with the statutory requirements under law as well as with the global practices.

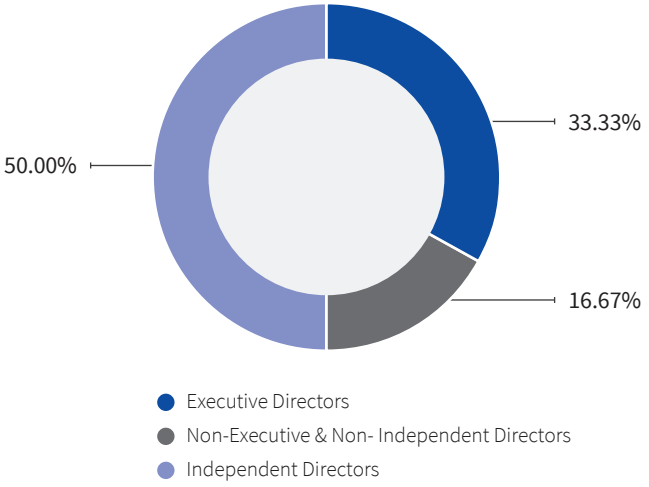
Composition of Board of Directors as on March 31, 2025 are as under:

CATEGORY	NAME OF DIRECTORS	NO OF DIRECTORS	% OF TOTAL NUMBER OF DIRECTORS
Promoters and Executive Directors	Shri Deepak C. Mehta *Chairman & Managing Director* Shri Maulik Mehta *Executive Director & CEO*	04	33.33%
Executive Directors	Shri Sanjay Upadhyay *Director (Finance) & Group CFO* Shri Girish Satarkar *Executive Director*		
Non-Executive & Non- Independent Directors	Shri Ajay C. Mehta *Non- Executive Director* Shri Meghav Mehta *Non- Executive Director*	02	16.67%
Independent Directors	Shri Sanjay Asher Smt. Purvi Sheth Shri Dileep Choksi Shri Punit Lalbhai Shri Vipul Shah Shri Prakash Samudra*	06	50.00%
Total Directors		**12**	**100.00%**

**Shri Prakash Samudra ceased to be Independent Director with effect from close of business hours on April 9, 2025.*

COMPOSITION OF BOARD OF DIRECTORS

As on March 31, 2025 (%)



During the period from April 1, 2025 until the date of this Corporate Governance Report, following are the changes in the Board of the Company.

- Shri Prakash Samudra (DIN: 00062355) has resigned as the Independent Director of the Company, due to his personal reasons. The resignation took effect from close of business hours on April 9, 2025. Shri Prakash Samudra has confirmed that there was no material reason for his resignation other than as mentioned above.
- Shri Sanjay Asher (DIN: 00008221) will cease to be an Independent Director of the Company with effect from June 28, 2025 upon completion of his second term.
- Smt. Purvi Sheth (DIN: 06449636) will cease to be an Independent Director of the Company with effect from June 28, 2025 upon completion of her second term.

Further, the shareholders of the Company by way Special Resolutions passed on May 25, 2025 through Postal Ballot, approved the following changes in the Board of the Company:

- Appointment of Dr. Arvind Nath Agrawal (DIN: 00193566) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Appointment of Ms. Bhumika Batra (DIN: 03502004) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Appointment of Shri Mahesh Ramchand Chhabria (DIN: 00166049) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Re-appointment of Shri Punit Lalbhai (DIN: 05125502) as an Independent Director of the Company for the second term of three (3) consecutive years, with effect from August 8, 2025.

- Re-appointment of Shri Vipul Shah (DIN: 00174680) as an Independent Director of the Company for the second term of three (3) consecutive years, with effect from August 8, 2025.

None of the Directors on the Board of the Company is an Independent Director in more than seven (7) listed entities. Further, none of the Directors on the Board of the Company who is serving as a Whole-time Director / Managing Director in a listed entity is an Independent Director in more than three (3) listed entities, as required under the Listing Regulations. None of the Directors hold Directorships in more than ten (10) public limited companies and in aggregate twenty (20) Indian companies. None of the Directors on the Board is a member of more than ten (10) Committees and Chairman of five (5) Committees (Committees being Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in India, in which he/she is a Director.

Necessary disclosures regarding Committee positions have been made by all the Directors.

Further, none of our Independent Directors serve as Non-Independent Director of any company on the Board of which any of our Non-Independent Director is an Independent Director. None of the Independent Directors have any inter-se relationship and each one of them is independent to each other.

(ii) Board Meetings

The Board meets at regular intervals to discuss and take decision on Company's business policy and strategy including their implementation and also reviews risk, audit, control, compliance and other related matters apart from other Board businesses. Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors. Usually, meetings of the Board and Committees thereof are held in Vadodara, Gujarat at the Registered Office of the Company.

Measures to ensure effective participation by the Directors

- The Board/Committee meetings are pre-scheduled.
- Tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance.
- For urgent needs, Board/Committee approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board/Committee meetings.
- Agenda of meeting includes detailed notes to enable the Directors to take an informed decision.
- Agenda of meeting includes Action Taken Report comprising actions from previous meetings and status updates thereon.
- The agenda and related information are circulated in electronic form and also through a highly secured web-based application, which is available to the Board/ Committee members through tablet/laptop. This has reduced paper consumption, thus enhancing the sustainability efforts of the Company and increasing confidentiality.

During the Financial Year 2024-25, four (4) meetings of Board of Directors of the Company were held. The time gap between any two (2) meetings was not more than one hundred and twenty (120) days, ensuring compliance with the requirement of Regulation 17 of the Listing Regulations and Section 173 of the Act. The necessary quorum was present for all the meetings of Board of Directors.

Details of attendance of Directors at the Board meetings during the Financial Year 2024-25 and at the previous Annual General Meeting (53rd AGM) are as under:

Sr. No.	Name of Directors	Date of Board Meetings & Attendance				% of Attendance	Attendance at 53rd AGM
		May 20, 2024	August 5, 2024	November 13, 2024	February 13, 2025		
1	Shri Deepak C. Mehta	✓	✓	✓	✓	100%	✓
2	Shri Maulik Mehta	✓	✓	✓	✓	100%	✓
3	Shri Sanjay Upadhyay	✓	✓	✓	✓	100%	✓
4	Shri Girish Satarkar	✓	✓	✓	✓	100%	✓
5	Shri Ajay C. Mehta	✓	✓	✓	✓	100%	✓
6	Shri Meghav Mehta	✓	✓	✓	✓	100%	✓
7	Shri Sanjay Asher	✓	✓	✓	✓	100%	✓
8	Smt. Purvi Sheth	✓	✓	✓	✓	100%	✓
9	Shri Dileep Choksi	✓	✓	✓	✓	100%	✓
10	Shri Punit Lalbhai	X	✓	✓	✓	75%	✓
11	Shri Vipul Shah	✓	✓	✓	✓	100%	✓
12	Shri Prakash Samudra	✓	✓	✓	✓	100%	✓

✓ - Present, X – Absent

The necessary disclosures regarding Directorship and Committee positions have been made by the Directors who are on the Board of the Company as on March 31, 2025 and the same is provided below:

Sr. No.	Name of Director	Director Identification Number	No. of Shares held in the Company	No. of Directorships held (including Listed entities)[a]	No. of Committee Position held as Chairman in other Public Companies[b]	No of Committee Position held as Member in other Public Companies[b]
1	Shri Deepak C. Mehta	00028377	2,25,35,241	06	--	--
2	Shri Maulik Mehta	05227290	1,31,300	06	--	--
3	Shri Sanjay Upadhyay	01776546	1,738	06	02	05
4	Shri Girish Satarkar	00340116	12	01	--	--
5	Shri Ajay C. Mehta	00028405	--	02	01	01
6	Shri Meghav Mehta	05229853	47,290	05	--	--
7	Shri Sanjay Asher	00008221	--	09	02	09
8	Smt. Purvi Sheth	06449636	--	10	--	01
9	Shri Dileep Choksi	00016322	--	04	01	03
10	Shri Punit Lalbhai	05125502	--	05	01	02
11	Shri Vipul Shah	00174680	--	02	--	01
12	Shri Prakash Samudra	00062355	--	01	--	--

a. Excludes directorships in Private Limited Companies, Section 8 Companies, Foreign Companies, Membership of Managing Committee of various chambers/bodies and alternate directorships and includes directorship in Deepak Nitrite Limited.

b. In accordance with the provisions of the Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies (including Deepak Nitrite Limited) have been considered.

Name(s) of the listed entities where the Directors of the Company are Directors and the category of Directorship as required under the Listing Regulations as on March 31, 2025:

Sr. No.	Name of Director	Name of Listed Entity	Chairman and Directorship
1	Shri Deepak C. Mehta	Deepak Nitrite Limited	Chairman & Managing Director
2	Shri Maulik Mehta	Deepak Nitrite Limited	Executive Director & CEO
		Transpek Industry Limited	Independent Director
3	Shri Sanjay Upadhyay	Deepak Nitrite Limited	Director (Finance) & Group CFO
4	Shri Girish Satarkar	Deepak Nitrite Limited	Executive Director
5	Shri Ajay C. Mehta	Deepak Nitrite Limited	Non - Executive Director
6	Shri Meghav Mehta	Deepak Nitrite Limited	Non - Executive Director
7	Shri Sanjay Asher	Ashok Leyland Limited	Independent Director
		Hawkins Cookers Limited	Independent Director
		Gillette India Limited	Independent Director
		Epigral Limited	Independent Director
		Deepak Nitrite Limited	Independent Director
		Sonata Software Limited	Independent Director
8	Smt. Purvi Sheth	Shoppers Stop Limited	Independent Director
		Kirloskar Oil Engines Limited	Independent Director
		Kirloskar Industries Limited	Independent Director
		Ambuja Cements Limited	Independent Director
		Metropolis Healthcare Limited	Independent Director
		Deepak Nitrite Limited	Independent Director
9	Shri Dileep Choksi	Deepak Nitrite Limited	Independent Director
10	Shri Punit Lalbhai	The Anup Engineering Limited	Non - Executive Director
		Arvind Fashions Limited	Non - Executive Director
		Arvind Limited	Executive Director
		Deepak Nitrite Limited	Independent Director
11	Shri Vipul Shah	Deepak Nitrite Limited	Independent Director
		The Supreme Industries Limited	Independent Director
12	Shri Prakash Samudra	Deepak Nitrite Limited	Independent Director

(iii) Board Procedure

For seamless scheduling of meetings, the calendar of meetings of the Board and its Committees is agreed upon and circulated at the beginning of the year.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Chairman & Managing Director as well as Executive Director & CEO of the Company apprises the Board on the overall performance of the Company every quarter including the performance of subsidiary companies.

The Board has complete access to all information of the Company.

The following minimum information as required under Part A of Schedule II of the Listing Regulations is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled during the course of the Board meeting, for their consideration:

- Annual operating plans, budgets and any update thereof;
- Capital budgets and any updates thereof;
- Annual and quarterly results of the Company and operating divisions and business segments;
- Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;
- Minutes of subsidiary companies and other significant transactions and arrangements entered into by the subsidiary companies;
- Information on recruitment and remuneration of senior management employees just below the level of Board of Directors, including the appointment or removal of Chief Financial Officer and Company Secretary;
- Show cause, demand, prosecution and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Significant development in Human Resources/Industrial Relations front like signing of Wage Agreement, implementation of Voluntary Retirement Scheme etc.;
- Sale of investments, assets which are material in nature and not in the normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material; and
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any. The declarations made by the Chairman & Managing Director, the Executive Director & CEO, the Director (Finance) & Group CFO, the Chief Financial Officer and the Company Secretary of the Company regarding compliance with all applicable laws are placed before the Board, on a quarterly basis.

The Board also reviews performance of subsidiary companies at regular intervals in pursuant to requirement of the Listing Regulations,.

Board Support: Company Secretary

The Company Secretary assists the Board for compliance with corporate governance requirements, best management practices and code of conduct of the Company. The Company Secretary tracks and monitors the Board and its Committees proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked.

The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and its Committees at par with the changing statutes.

Meeting effectiveness is ensured through circulation of detailed agenda along with other materials/presentation in advance as per statutory timelines along with tracking of action taken reports at every meeting.

Additionally, based on the agenda items, meetings are attended by members of the senior leadership as invitees which brings in the requisite accountability and also provide developmental inputs.

(iv) Disclosure of relationships between Directors inter-se

Shri Deepak C. Mehta, Chairman & Managing Director and Shri Ajay C. Mehta, Non-Executive Director of the Company are brothers. Shri Maulik Mehta, Executive Director & CEO and Shri Meghav Mehta, Non-Executive Director are son of Shri Deepak C. Mehta, Chairman & Managing Director and nephew of Shri Ajay C. Mehta, Non-Executive Director of the Company. Shri Maulik Mehta, Executive Director & CEO and Shri Meghav Mehta, Non-Executive Director are brothers.

(v) Independent Directors

The term of Independent Directors is defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and that they are Independent of the management.

In terms of Regulation 25(8) of Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Independent Directors play a pivotal role by overseeing the Company's internal controls, financial reporting and risk management. They provide valuable insights and recommendations that help the Company achieve its goals for ensuring effective Corporate Governance for the success and sustainability of the organisation. Their increased presence in the boardroom has been hailed as a harbinger for striking a right balance between individual, economic and social interests.

The selection of eminent people for appointment as Independent Directors on the Board is considered by the Nomination and Remuneration Committee. The maximum tenure of Independent Directors is in accordance with the Act and Listing Regulations. The Committee, *inter alia* considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such person and recommend the same to the Board of Directors for consideration and recommend the same to the shareholders for their approval. The Board considers the Committee's recommendation and takes an appropriate decision.

Additionally, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have confirmed registration of their name with the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs.

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and Independence of Directors in terms of provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

The Company issues a formal letter, immediately upon appointment or re-appointment of each Independent Director and the terms and conditions of their appointment are available on the website of the Company at www.godeepak.com.

(vi) Separate meeting of Independent Directors

The Independent Directors meet at least once in a year without presence of Executive Directors, Non-Executive Non-Independent Directors and Management of the Company. During the year under review, the Independent Directors met on March 10, 2025, as required under Schedule IV of the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations to:

(a) Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole;

(b) Evaluate the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and

(c) Evaluate quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting held on March 10, 2025 and the said meeting was chaired by Smt. Purvi Sheth, Independent Director and Chairperson of Nomination and Remuneration Committee of the Company.

Further, as a good Corporate Governance practice, a separate interaction of Independent Directors with Statutory Auditors and Internal Auditors, without presence of members and management of the Company was held on March 10, 2025.

The Chairman of the Board was updated by the Chairperson of the meeting of Independent Directors about the outcome of the meeting and actions, if any, required to be taken by the Company.

(vii) Process for appointment / re-appointment of Directors

Identification of candidature to be appointed as Director	Recommendation by Nomination and Remuneration Committee	Board Approval	Shareholders' Approval
Nomination and Remuneration Committee is responsible for identification of persons who are qualified to become Directors, in accordance with the criteria laid down.	Upon identification, the Committee recommends the appointment of Directors to the Board. Further, on the basis of the report of performance evaluation of Independent Directors, the Committee recommends their re-appointment to the Board.	The Board members, after considering recommendations of the Committee, recommend the appointment or re-appointment of Directors to the shareholders for their approval.	The proposal for appointment or re-appointment as recommended by the Board is placed before shareholders for approval.

(viii) Induction and Familiarization Program for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarization programmes for its Independent Directors to familiarize the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory requirement applicable to it.

At the time of appointment of a Director (including Independent Director), a letter of appointment is provided to him/her, which *inter alia* explains the roles, functions, duties and responsibilities expected by him/her as a Director of the Company.

The Directors from time to time get an opportunity to visit the Company's Plants to enable them to have full understanding on the operations of the Company.

Pursuant to Regulation 46 of the Listing Regulations, the details of such familiarization programmes held during the Financial Year 2024-25 are available on the website of the Company at https://www.godeepak.com/wp-content/uploads/2025/06/DNL-Familiarization-Programmes-2025.pdf.

The Chairman & Managing Director also have a one-to-one discussions with the newly appointed Director to familiarize him/her with the Company's business and activities.

Further, on an ongoing basis as a part of agenda of Board and Committee meetings, presentations are regularly made on various matters *inter alia* covering the Company's business, operations, industry, regulatory updates etc.

(ix) Skills/ Expertise / Competencies of the Board of Directors

The Board, with the help of Nomination and Remuneration Committee, evaluates composition of the Board of Directors to ensure that the Board has the appropriate mix of skills, expertise, experience, professional competencies, independence and knowledge to ensure their continued effectiveness.

Following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and the same is mapped against each of the Directors:

Sr No	Nature of Skills / Expertise / Competencies	Shri Deepak C. Mehta	Shri Maulik Mehta	Shri Sanjay Upadhyay	Shri Girish Satarkar	Shri Ajay C. Mehta	Shri Meghav Mehta	Shri Sanjay Asher	Shri Dileep Choksi	Smt. Purvi Sheth	Shri Punit Lalbhai	Shri Vipul Shah	Shri Prakash Samudra
	Qualification	Bachelor of Science from University of Bombay	Bachelor of Business Administration from University of Liverpool, UK. Master in Industrial and Organisational Psychology from Columbia University, USA. Owner & President Management Program from Harvard Business School	Associate Member of the Institute of Cost Accountants of India and Fellow Member of the Institute of Company Secretaries of India. Advaned Management Programme from Wharton, USA.	B.SC (Tech) and M.SC Tech) in Textile Chemistry from The Institute of Chemical Technology, ICT (formerly UDCT) University of Mumbai and Masters of Marketing Management (MMM) from Welingkar Institute of Management, University of Mumbai.	Science Graduate with Honours from University of Mumbai and Master of Science (Chemical Engineering) from the University of Texas, USA	Mechanical Engineer from the Rochester Institute of Technology (New York, USA) with a specialization in Material Science Technology and Alternative Energy	Bachelor's Degree in Commerce and in Law from the University of Bombay, Qualified Chartered Accountant and a Solicitor	Bachelor of Law, Fellow, Member of The Institute of Chartered Accountants of India, Member of The Institute of Cost Accountants of India.	Bachelors Degree in Arts, Economics & Political Science from St. Xavier's College, Mumbai University and obtained a CPD Business Strategy & Leadership Management from Wharton Business School, USA	Bachelors' degree from University of California, Davis in conservation biology; a Masters in Environmental Science from Yale University, USA and MBA from INSEAD, France.	Bachelor of Science in Chemcal Engineering and Master of Science degree in Polymer Science from the University of Texas, Austin, United States.	Chemical Engineering from the Indian Institute of Technology (IIT), Bombay
1	**Industry Knowledge:**												
	Knowledge on Company's Businesses (Chemical Intermediates)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Policies and Culture (Including the Mission, Vision and Values of the Company)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Major risks / threats, potential opportunities and knowledge of the industry in which the Company operates	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	**Behavioural Competencies/ Personal Attributes:**												
	Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	**Strategic Expertise:**												
	Business Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sales & Marketing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Forex Management	✓	✓	✓	✓	✓	-	✓	✓	-	✓	✓	
	Administration	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Decision Making	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Sr No	Nature of Skills / Expertise / Competencies	Shri Deepak C. Mehta	Shri Maulik Mehta	Shri Sanjay Upadhyay	Shri Girish Satarkar	Shri Ajay C. Mehta	Shri Meghav Mehta	Shri Sanjay Asher	Shri Dileep Choksi	Smt. Purvi Sheth	Shri Punit Lalbhai	Shri Vipul Shah	Shri Prakash Samudra
4	**Technical Skills:**												
	Financial and Management skills	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
	Legal expertise	✓	-	✓	✓	✓	✓	✓	✓	-	✓	✓	-
	Technical / Professional skills and specialized	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
5	**Other Skills:**												
	Decision making skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Communication skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Leadership skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Stakeholder Relations	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
	Risk Management Skills	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓

It is evident from the above mentioned details that the Board of the Company is highly structured to ensure a high degree of diversity by qualifications, skills, expertise and competencies.

(x) Annual Evaluation of Board Performance and Performance of its Committees and Directors

In compliance with the Act and the Listing Regulations and upon recommendation of the Nomination and Remuneration Committee, the Board has adopted a Performance Evaluation Policy specifying the criteria for effective evaluation of the Board, its Committees and Individual Directors. The performance evaluation criteria for Independent Directors is also provided in the Performance Evaluation Policy as adopted by the Board.

The Board has carried out an annual evaluation of its own performance, its Committees and individual Directors, based on the criteria as provided in the Performance Evaluation Policy.

The performance of the Independent Directors was evaluated by the entire Board without the presence of Independent Director being evaluated, at their meeting held on May 28, 2025.

Based on such evaluation, the Board is of the view that all Independent Directors are having thorough knowledge, expertise and experience in their respective areas. They also have very good understanding of the Company's business and the general economic environment in which it operates. They devote quality time and full attention to understand key issues relating to business of the Company and advising on the same. Their valuable contribution has certainly improved the governance standards within the Company.

The performance of the Committees was also evaluated by the Board after seeking inputs from the Committee members. Based on such evaluation, the Board is of the view that various Committee of Directors are well constituted by way of having optimum number of Independent Directors with precise Terms of Reference/Charter. The respective Committees actively discussed various matters and effective suggestions were made concerning business, operations and governance of the Company.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the Chairman and the Board as a whole was evaluated. Based on such evaluation, the Independent Directors found the performance of Non-Independent Directors completely satisfactory and were of the view that the Executive Directors of the Company have been open and transparent in sharing issues with the Board while simultaneously resolving those issues. The performance of the Chairman was rated High *inter alia* for active participation in the discussions, steering meetings of the Board effectively, acting impartially, encouraging open debate and welcoming suggestions put forth by all the Directors. The performance evaluation of the Board as a whole, was rated as completely satisfactory. The Independent Directors were of the view that the Directors take active part in the deliberations at the meeting of Board and provide guidance and advice to the management on various aspects of business, governance, compliance etc. towards enhancing shareholders value and overseeing the interests of all stakeholders through effective management.

3. COMMITTEES OF BOARD OF DIRECTORS

The Board has delegated certain functions to its various Committees, in accordance with the applicable laws, that are established to carry out clearly defined roles. These Committees conduct detailed reviews of the items under their purview before presenting them to the Board for consideration. The Committees appointed by the Board are dedicated to specific matters and have the delegated authority to make informed decisions within their respective scopes. The Committees operate under the direct supervision of the Board. Generally, Committee meetings are held before the Board meetings and the Chairperson of the respective Committee brief the Board about the deliberations held and decisions taken by the respective Committees.

The Committees also provide specific recommendations to the Board on matters within their purview. All decisions and recommendations made by the Committees are presented to the Board either for approval or information. During the Financial Year ended March 31, 2025, all recommendations made by the Committees were accepted by the Board.

As on March 31, 2025, the Company is having six (6) Committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship & Investors Grievance Committee, Corporate Social Responsibility Committee, Risk Management Committee and Sustainability Committee of Directors of the Company. Besides the above, there are several other Committees constituted by the Board for specific / day-to- day matters.

Composition of Committees as on March 31, 2025

All the Committees have optimum composition pursuant to requirements of the Act and Listing Regulations. Below is the composition of the Committees as on March 31, 2025:

Name of Directors	Audit Committee	Nomination And Remuneration Committee	Stakeholder's Relationship & Investors Grievance Committee	Corporate Social Responsibility Committee	Risk Management Committee	Sustainability Committee
Shri Deepak C. Mehta	-	M	-	C	C	-
Shri Maulik Mehta	-	-	-	-	M	M
Shri Sanjay Upadhyay	-	-	M	M	M	-
Shri Girish Satarkar	-	-	-	-	-	M
Shri Ajay C. Mehta	-	-	C	-	-	-
Shri Meghav Mehta	-	-	-	-	-	-
Shri Sanjay Asher	M	M	-	-	-	-
Smt. Purvi Sheth	-	C	-	M	-	-
Shri Dileep Choksi	C	-	-	-	-	-
Shri Punit Lalbhai	-	-	M	M	-	C
Shri Vipul Shah	M	-	-	-	M	M
Shri Prakash Samudra	-	-	-	-	M	-

C – Chairperson, M – Member

(A) Audit Committee

The Company is having a duly constituted qualified and independent Audit Committee. As on March 31, 2025, all the members of Audit Committee were Independent Directors having relevant experience in financial matters as well as have accounting or related financial management expertise and are considered financially literate as defined in Regulation 18(1)(c) of the Listing Regulations. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the Statutory Auditors and the Internal Auditors.

All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II to the Listing Regulations are covered in the Terms of Reference of the Audit Committee. Quarterly Reports are also placed before the members of the Audit Committee on matters relating to the Insider Trading Code of the Company.

(i) Composition of Audit Committee

The Audit Committee comprises of the following members as on March 31, 2025:

Name of Member	Designation	Category
Shri Dileep Choksi	Chairman	Independent Director
Shri Sanjay Asher	Member	Independent Director
Shri Vipul Shah	Member	Independent Director

The Committee's composition meets with the requirement of Section 177 of the Act and Regulation 18(1) of the Listing Regulations.

The Company Secretary acts as a Secretary to the Audit Committee.

Representatives of Statutory Auditors, Internal Auditors and other executives of the Company are invited to the meetings of Audit Committees

Shri Dileep Choksi, Chairman of the Audit Committee, was present at the previous Annual General Meeting of the Company held on August 6, 2024.

(ii) Brief Description of Terms of Reference of the Audit Committee

In accordance with the provisions of the Act and the Listing Regulations, the role of the Audit Committee of Directors includes the following:

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;

2) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;

3) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

4) Reviewing, with the management, the Annual Financial Statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:

   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Sub-section (3) of Section 134 of the Act;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by management;
   - Significant adjustments made in the Financial Statements arising out of Audit findings;
   - Compliance with Listing and other Legal requirements relating to Financial Statements;
   - Disclosure of any Related Party Transactions; and
   - Modified opinion(s) in the draft Audit Report.

5) Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;

6) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7) Reviewing and monitoring the Auditor's independence and performance and effectiveness of Audit process;

8) Approval or any subsequent modification of transactions of the Company with Related Parties;

9) Scrutiny of inter-corporate loans and investments;.

10) Review of Valuation of undertakings or assets of the Company, wherever it is necessary;

11) Evaluation of Internal Financial Controls and Risk Management Systems;

12) Reviewing, with the Management, performance of statutory and Internal Auditors, adequacy of the Internal Control Systems;

13) Reviewing the adequacy of Internal Audit Function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;

14) Discussion with Internal Auditors of any significant findings and follow up there on;

15) Reviewing the findings of any Internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control systems of a material nature and reporting the matter to the Board;

16) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17) To look into the reasons for substantial defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared Dividends) and Creditors;

18) To review the functioning of the Whistle Blower Mechanism;

19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

20) Review of Management Discussion and Analysis of financial condition and result of operations and Statement of Significant Related Party Transactions;

21) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

22) Reviewing the utilization of loans and/or advances from / investment by the Company in its subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;

23) To review quarterly reports on matters relating to Prohibition of Insider Trading Regulations, 2015; and

24) Such other terms as may be prescribed under the Act or the Listing Regulations.

(iii) Meetings of Audit Committee and Attendance of Members

Four (4) meetings of the Audit Committee were held during the Financial Year 2024-25. The time gap between any two (2) meetings was not more than one hundred and twenty (120) days, ensuring compliance with the requirement of Regulation 18 of the Listing Regulations and the Act.

All the members were present at all the meetings of the Audit Committee held during Financial Year 2024-25. In case of a special and urgent business needs, the Audit Committee's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed at the subsequent meeting of the Audit Committee.

Details of number of meetings of Audit Committee held during the Financial Year 2024-25 and attendance of respective members are as under:

Name of Member	May 20, 2024	August 5, 2024	November 13, 2024	February 13, 2025	% of Attendance
Shri Dileep Choksi	✓	✓	✓	✓	100%
Shri Sanjay Asher	✓	✓	✓	✓	100%
Shri Vipul Shah	✓	✓	✓	✓	100%

(B) Nomination and Remuneration Committee

Pursuant to provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Board is duly constituted.

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for Directors and Senior Management employees. Further, the Committee is also responsible for formulating policies with respect to remuneration, performance evaluation, Board diversity, etc. in line with the requirements of the Act and the Listing Regulations.

The Nomination and Remuneration Committee recommends remuneration of Managing Director/Executive Directors to the Board by reference to individual performance, experience and market conditions with a view to provide a remuneration which is commensurate with the responsibilities involved. In reviewing the overall remuneration of Directors, Key Managerial Personnel and one level below Chief Executive Officer/ Managing Director/Whole-time Director, the Nomination and Remuneration Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent. It also ensures that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and variable pay reflecting short term and long term objectives of the Company.

(i) Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of the following members as on March 31, 2025:

Name of Member	Designation	Category
Smt. Purvi Sheth	Chairperson	Independent Director
Shri Sanjay Asher	Member	Independent Director
Shri Deepak C. Mehta	Member	Chairman & Managing Director

The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee.

(ii) Brief Description of Terms of Reference of the Nomination and Remuneration Committee

In accordance with the provisions of the Act and the Listing Regulations, the Terms of Reference for the Nomination and Remuneration Committee of Directors are as under:

1) 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 ('KMP') and functional heads i.e. employee one level below Chief Executive Officer/ Managing Director/Whole time Director;

2) Formulation of the criteria for effective evaluation of performance of Board, its Committee and individual Directors;

3) Devising a policy on diversity of Boards of Directors;

4) Identifying persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel or functional head i.e. employees one level below Chief Executive Officer/Managing Director/ Whole-time Director, in accordance with the criteria laid down and recommend to the Board their appointment and removal;

5) Whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors;

6) To recommend to the Board, all remuneration, in whatever form, payable to Key Managerial Personnel and functional head i.e. employees one level below Chief Executive Officer/Managing Director/Whole-time Director; and

7) Such other terms as may be required under the Act or the Listing Regulations

(iii) Meetings of Nomination and Remuneration Committee and Attendance of Members

One (1) meeting of the Nomination and Remuneration Committee was held during the Financial Year 2024-25. All the members were present at the said meeting. In case of a special and urgent business needs, the Nomination and Remuneration Committee's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed at the subsequent meeting of the Nomination and Remuneration Committee.

Details of meeting of Nomination and Remuneration Committee held during the Financial Year 2024-25 and attendance of respective members are as under:

Name of Member	May 20, 2024	% of Attendance
Smt. Purvi Sheth	✓	100%
Shri Sanjay Asher	✓	100%
Shri Deepak C. Mehta	✓	100%

(iv) Criteria for appointment of Directors, Key Managerial Personnel and Senior Management employees

The Nomination and Remuneration Policy duly approved by the Nomination and Remuneration Committee specifies the criteria for appointment of Independent Directors, Managing Director/Executive Director, Key Managerial Personnel and Senior Management employees, which has been disclosed in the Directors' Report.

(v) Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company has been posted on the website of the Company at www.godeepak.com. The said Policy is directed towards rewarding performance, based on review of achievements periodically and is in consonance with the existing industry practice. The key factors considered in formulating the Policy are as under:

a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully;

b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(vi) Diversity, Equity and Inclusion Policy

The Company recognizes the importance of diversity, equity and inclusion. The Company operates in a diverse society and understand that its customers as well as talent pool have diverse characteristics and different experiences, needs and aspirations. The Company is committed to providing equal and inclusive workplace free from any unfair treatment or unlawful discrimination.

Towards this, the Company has adopted Diversity, Equity and Inclusion Policy. The purpose of the Policy is to set out the Company's commitment to providing workplace free from discrimination for employees. The Policy also sets out the Company's expectations, where each employee has a responsibility to adhere to and uphold the policy.

The Company strives to provide diverse and inclusive workforce where each individual feels valued and empowered. Individuals with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives. As a diverse organization, the Company seeks to encourage and harness these differences and make its products innovative, relevant and accessible.

(C) Stakeholder's Relationship & Investors Grievance Committee

In accordance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, Stakeholders' Relationship & Investors Grievance Committee of the Board is duly constituted.

The role of Stakeholders' Relationship & Investors Grievance Committee includes monitoring shareholding movements, prompt resolution of the grievances of security holders, ensuring expeditious share transfer process, implementation of ways to enhance shareholder experience evaluating performance and service standards of the Registrar and Share Transfer Agent ("RTA") of the Company etc.

(i) Composition of Stakeholders' Relationship & Investors Grievance Committee

The Stakeholders' Relationship & Investors Grievance Committee comprises of the following members as on March 31, 2025:

Name of Member	Designation	Category
Shri Ajay C. Mehta	Chairman	Non- Executive Director
Shri Sanjay Upadhyay	Member	Director (Finance) & Group CFO
Shri Punit Lalbhai*	Member	Independent Director

**Shri Punit Lalbhai was inducted as a member of the Stakeholders' Relationship & Investors Grievance Committee with effect from May 21, 2024, in place of Shri Sanjay Asher.*

Shri Arvind Bajpai, Company Secretary of the Company, is the Compliance Officer. The Company Secretary acts as a Secretary to the Stakeholders' Relationship & Investors Grievance Committee. Shri Arvind Bajpai is also appointed as the Nodal Officer under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Shri Ajay C. Mehta, Chairman of Stakeholders' Relationship & Investors Grievance Committee was present at the previous Annual General Meeting of the Company held on August 6, 2024.

(ii) Brief Description of Terms of Reference of the Stakeholders' Relationship & Investors Grievance Committee

In accordance with the provisions of the Act and the Listing Regulations, the Terms of Reference for the Stakeholders' Relationship & Investors' Grievances Committee of Directors are as under:

1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates etc.;
2) Review of measures taken for effective exercise of voting rights by shareholders;
3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5) Such other terms as may be required under the Act or the Listing Regulations.

(iii) Meetings of Stakeholders' Relationship & Investors Grievance Committee and Attendance of Members

Four (4) meetings of the Stakeholders' Relationship & Investors Grievance Committee were held during the Financial Year 2024-25 and the necessary quorum was present at the meeting. All the members were present at all the meetings of the Stakeholders' Relationship & Investors Grievance Committee held during Financial Year 2024-25 /during their tenure.

Details of number of meetings of Stakeholders' Relationship & Investors Grievance Committee held during the Financial Year 2024-25/during the tenure of members and attendance of respective members are as under:

Name of Member	May 20, 2024	August 5, 2024	November 13, 2024	February, 13, 2025	% of Attendance
Shri Ajay C.Mehta	✓	✓	✓	✓	100%
Shri Sanjay Upadhyay	✓	✓	✓	✓	100%
Shri Punit Lalbhai*	NA	✓	✓	✓	100%
Shri Sanjay Asher	✓	NA	NA	NA	100%

** Shri Punit Lalbhai was inducted as a member of the Stakeholders' Relationship & Investors Grievance Committee with effect from May 21, 2024, in place of Shri Sanjay Asher.*

(iv) Investors Grievance

Continuous efforts are being made to ensure that Investor's grievances are expeditiously redressed to the satisfaction of the Investors.

The Company and MUFG Intime India Private Limited (Registrar & Share Transfer Agent) attend to all the grievances of the Investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc.

The details of Investors Complaints received and redressed during Financial Year 2024-25 are as follows:

Number of pending complaints at the beginning of the Financial Year	0
Number of complaints received during the Financial Year	12
Number of complaints resolved during the Financial Year	12
Number of complaints pending at the end of the Financial Year	0
Number of complaints not solved to the satisfaction of shareholders	0

An update on the status of Investors Complaints received by the Company is reported to the Board and is also filed with the Stock Exchanges on quarterly basis.

(v) Investor Grievance Redressal Policy

The Company believes that transparent framework for handling shareholders' grievances would help shareholders to register and escalate their grievances to the relevant authorities.

In continuation of the Company's endeavour to strengthen its Investor Relations and Corporate Governance practices, the Company has adopted an Investors' Grievance Redressal Policy for effective redressal of Investors grievances.

The said Policy is available on the website of the Company at https://www.godeepak.com/wp-content/uploads/2025/04/Investors-Grievance-redressal-policy-f.pdf

(D) Corporate Social Responsibility Committee

In accordance with provisions of Section 135 of the Act and Rule 4 of The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee of the Board is duly constituted.

The Corporate Social Responsibility ("CSR") Committee is responsible to review CSR projects undertaken by the Company, recommend CSR budget, formulate annual action plan, monitor CSR expenditures, engage with the government agencies and development organizations to carry out durable and meaningful CSR initiatives.

(i) Composition of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of the following members as on March 31, 2025:

Name of Member	Designation	Category
Shri Deepak C. Mehta	Chairman	Chairman & Managing Director
Shri Sanjay Upadhyay	Member	Director (Finance) & Group CFO
Shri Punit Lalbhai	Member	Independent Director
Smt. Purvi Sheth	Member	Independent Director

The Company Secretary acts as a Secretary to the Corporate Social Responsibility Committee.

(ii) Terms of Reference

The Terms of Reference of the Corporate Social Responsibility Committee are as under:

1) To formulate and recommend to the Board a Corporate Social Responsibility Policy ("CSR Policy");

2) To recommend the amount of expenditure to be incurred by the Company on the activities listed in CSR Policy;

3) To monitor the CSR Policy of the Company from time to time; and

4) Such other roles and functions as may be prescribed in the Act and Rules made thereunder.

(iii) Meetings of Corporate Social Responsibility Committee and Attendance of Members

During the Financial Year 2024-25, two (2) meetings of the Corporate Social Responsibility Committee were held. The necessary quorum was present for all the meetings of the Corporate Social Responsibility Committee.

The details of number of meetings of Corporate Social Responsibility Committee held during the Financial Year 2024-25 and attendance of respective members are as under:

Name of Member	May 20, 2024	August 1, 2024	% of Attendance
Shri Deepak C. Mehta	✓	✓	100%
Shri Sanjay Upadhyay	✓	✓	100%
Smt. Purvi Sheth	✓	✓	100%
Shri Punit Lalbhai	X	✓	50%

(iv) Report on CSR activities

As required under the Act and Rules made thereunder, Report on the CSR activities undertaken by the Company during the year ended March 31, 2025 is annexed to the Directors' Report.

(E) Risk Management Committee

Pursuant to the requirements of Regulation 21 of the Listing Regulations, the Board of Directors has constituted the Risk Management Committee.

The Risk Management Committee is responsible to monitor the Risk Management Framework of the Company; review reports related to risk matrix; assess significant risks and the controls/mitigating measures; and assist the Board to fortify the Risk Management procedures and practices across the Company's operations.

(i) Composition of Risk Management Committee

The Risk Management Committee comprises of the following members as on March 31, 2025:

Name of Member	Designation	Category
Shri Deepak C. Mehta	Chairman	Chairman & Managing Director
Shri Sanjay Upadhyay	Member	Director (Finance) & Group CFO
Shri Maulik Mehta	Member	Executive Director & CEO
Shri Vipul Shah	Member	Independent Director
Shri Prakash Samudra*	Member	Independent Director

**Shri Prakash Samudra ceased to be a member of the Risk Management Committee from close of business hours on April 9, 2025.*

The Company Secretary of the Company acts as the Secretary to the Risk Management Committee.

(ii) Terms of Reference

In accordance with the provisions of the Listing Regulations, the Terms of Reference for the Risk Management Committee of Directors are as under:

1) To formulate a detailed Risk Management Policy which shall include:
   - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks) information technology, cyber security risks or any other risk as may be determined by the Committee;
   - Measures for risk mitigation including systems and processes for internal control of identified risks; and
   - Business continuity plan;
2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management systems;
4) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
7) Such other terms as may be prescribed under the Act or the Listing Regulations.

(iii) Meetings of Risk Management Committee and Attendance of Members

Two (2) meetings of the Risk Management Committee were held during the Financial Year 2024-25. The time gap between any two (2) meetings was not more than two hundred and ten (210) days, ensuring compliance with the requirement of Regulation 21 of the Listing Regulations. All the members were present at both the meetings of the Risk Management Committee held during Financial Year 2024-25.

The details of number of meetings of Risk Management Committee held during the Financial Year 2024-25 and attendance of respective members are as under:

Name of Member	April 8, 2024	September 27, 2024	% of Attendance
Shri Deepak C. Mehta	✓	✓	100%
Shri Sanjay Upadhyay	✓	✓	100%
Shri Maulik Mehta	✓	✓	100%
Shri Vipul Shah	✓	✓	100%
Shri Prakash Samudra	✓	✓	100%

(G) Sustainability Committee

Sustainability has always been at the core of the Company's operations. Understanding that the chemical industry has significant environmental and social impact, the Company is committed to minimise its footprint while contributing to the well-being of the communities around.

Towards this commitment, the Board of Directors of the Company established a dedicated Sustainability Committee demonstrating the continuous efforts to improve energy conservation, optimise resource use and promote stakeholder welfare, seamlessly integrating these elements into the Company's core operations.

The Sustainability Committee reviews Climate and Environment, Social & Governance ("ESG") disclosures, monitors best practices and provides strategic guidance to the management. This structured approach ensures focused attention, aligning with the Company's long-term vision of promoting environmental and social responsibility while driving business excellence.

(i) Composition of Sustainability Committee

The Sustainability Committee comprises of the following members as on March 31, 2025:

Name of Member	Designation	Category
Shri Punit Lalbhai	Chairman	Independent Director
Shri Vipul Shah	Member	Independent Director
Shri Maulik Mehta	Member	Executive Director & CEO
Shri Girish Satarkar	Member	Executive Director

The Company Secretary of the Company acts as the Secretary to the Sustainability Committee.

(ii) Terms of Reference

The Terms of Reference for the Sustainability Committee of Directors are as under:

a) To develop and recommend to the Board, a Sustainability Roadmap for the Company and identify priorities of the Company for the same;

b) To review policies of the Company and recommend to the Board, amendments to such policies, if necessary, for their alignment with Sustainability Roadmap of the Company;

c) To monitor implementation of various Sustainability efforts of the Company on the identified priorities;

d) To review the Company's disclosures relating to Sustainability on behalf of the Board;

e) To monitor developments and emerging best practice in approaches to Sustainability and provide insights against the Company's strategy;

f) To provide support, input and guidance to the management on Sustainability matters;

g) To avail consultation / support / help from any subject matter expert as deemed appropriate, from time to time; and

h) Such other matters as may be delegated by the Board, from time to time.

(iii) Meetings of Sustainability Committee and Attendance of Members

Two (2) meetings of the Sustainability Committee were held during the Financial Year 2024-25. All the members were present at both the meetings of the Sustainability Committee held during Financial Year 2024-25.

The details of number of meetings of Sustainability Committee held during the Financial Year 2024-25 and attendance of respective members are as under:

Name of Member	August 1, 2024	October 14, 2024	% of Attendance
Shri Punit Lalbhai	✓	✓	100%
Shri Vipul Shah	✓	✓	100%
Shri Maulik Mehta	✓	✓	100%
Shri Girish Satarkar	✓	✓	100%

4. KEY MANAGERIAL PERSONNEL

As required under Section 2(51) and Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following persons are the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1	Shri Deepak C. Mehta	Chairman & Managing Director
2	Shri Maulik Mehta	Executive Director & CEO
3	Shri Sanjay Upadhyay	Director (Finance) & Group CFO
4	Shri Girish Satarkar	Executive Director
5	Shri Somsekhar Nanda	Chief Financial Officer
6	Shri Arvind Bajpai	Company Secretary

There were no changes in the Key Managerial Personnel of the Company during the Financial Year 2024-25.

5. SENIOR MANAGEMENT

The details of Senior Management of the Company as on March 31, 2025 as defined under Regulation 16(1)(d) of Listing Regulations are as follows:

Sr. No.	Name	Designation
1	Shri Milan Nikte	Business Head - Performance Products
2	Shri Subash Dhar	Head - Technology
3	Shri Anil Khatri	Business Head - Specialities (Effect Chemicals)
4	Shri K. C. Bahuguna	Chief Information Officer
5	Shri Sanjay Jalla	Head – Supply Chain Management
6	Shri Anant Pande	Chief Manufacturing Officer
7	Shri Puneet Sharma	Business Head – Fine & Speciality Chemicals

Changes in the Senior Management during the Financial Year 2024-25 are as follows:

Sr. No.	Name	Designation	Reason
1	Shri Anil Khatri	Business Head - Specialities (Effect Chemicals)	Appointed with effect from April 1, 2024.
2	Shri Puneet Sharma	Business Head – Fine & Speciality Chemicals	Designated with effect from October 1, 2024
3	Shri Malay Kumar	Head - Projects	Resigned with effect from November 15, 2024 due to his personal reasons.

6. REMUNERATION OF DIRECTOR

(A) Chairman & Managing Director / Executive Directors

The remuneration of the Chairman & Managing Director comprises of salary, allowances, perquisites and other benefits. In addition, the Chairman & Managing Director is also paid a Commission, calculated with reference to the Net Profits of the Company in a particular Financial Year, as may be determined by the Board of Directors on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling stipulated in Section 197 and other relevant provisions of the Act.

The remuneration of Executive Directors comprises of fixed pay by way of salary, allowances, perquisites and other benefits and includes performance linked variable pay which is paid to Executive Directors at the end of each Financial Year, based on the performance rating depending upon their individual and also the Company's performance as per policy of the Company, as may be determined by the Board of Directors on the recommendations of the Nomination and Remuneration Committee.

The criteria for considering the performance linked variable pay to Executive Directors include key indicators of Company's performance such as Sales, EBITDA, PBT, Working Capital Management, Compliances, Growth in Market Capitalization, Credit Ratings, Cost of Borrowings etc.

The details of remuneration of the Chairman & Managing Director and Executive Directors of the Company for the Financial Year 2024-25 are as under:

(₹ in Crores)

Sr. No.	Name of the Director	Salary & Allowances	Perquisites	Retirement Benefits	Commission / Variable Pay	Total
1	Shri Deepak C. Mehta*	5.70	1.88	1.02	--	8.60
2	Shri Maulik Mehta	2.77	0.91	0.49	0.78	4.95
3	Shri Sanjay Upadhyay	3.19	1.03	0.80	0.95	5.97
4	Shri Girish Satarkar	1.42	0.42	0.33	0.26	2.43
	Total	**13.08**	**4.24**	**2.64**	**1.99**	**21.95**

** As per the terms of appointment of Shri Deepak C. Mehta, in addition to the fixed remuneration by way of salary, perquisites and other benefits, he is also entitled to the Commission on the Net Profits of the Company calculated in accordance with Section 198 of the Act. However, since the Board of Directors of Deepak Phenolics Limited, a Wholly Owned Subsidiary, at their meeting held on May 20, 2025 approved the payment of Commission of ₹ 18 Crores to Shri Deepak C. Mehta for the Financial Year 2024-25, he has not opted any Commission from the Company.*

The term of appointment of the Chairman & Managing Director and that of Executive Directors are as under:

Sr. No.	Name of the Director	Designation	Term of Appointment	
			From	To
1	Shri Deepak C. Mehta	Chairman & Managing Director	December 14, 2023	December 13, 2028
2	Shri Maulik Mehta	Executive Director & CEO	May 9, 2021	May 8, 2026
3	Shri Sanjay Upadhyay	Director (Finance) & Group CFO	April 28, 2022	July 31, 2026
4	Shri Girish Satarkar	Executive Director	August 4, 2023	August 4, 2026

There is no provision for payment of severance fees.

Deepak Nitrite Limited Employees Stock Option Scheme 2024 ("Scheme 2024") was approved by the shareholders on April 19, 2024 by way of Special Resolution, passed through Postal Ballot. The shareholders of the Company also, by way of Special Resolution, approved extending the Scheme 2024 to the eligible employees of subsidiaries of the Company. No options were granted to the eligible employees under the Scheme 2024 during the Financial Year 2024-25.

(B) Independent Directors and Non–Independent Non–Executive Directors

The Independent Directors and Non-Executive Non-Independent Directors do not draw any remuneration from the Company other than the sitting fee, reimbursement of expenses for attending meetings of the Board of Directors or Committees thereof and such Commission as may be determined by the Board from time to time within the overall approval given by the shareholders and pursuant to the relevant provisions of the Act.

The amount of Commission to Independent Directors and Non-Independent Non-Executive Directors is determined on the basis of: (a) attendance and time spent for the meetings of Board and Committees thereof; (b) attendance at the General Meeting(s) of the Company during the particular year; (c) role and responsibility as Chairperson and/or Member of respective Committee; (d) individual contribution at the meetings; and (e) contribution made by the Directors on various matters of the Company.

No remuneration by way of Commission was paid to any single Non-Executive Director in excess of fifty percent (50%) of the total annual remuneration by way of Commission payable to all Non-Executive Directors.

The details of remuneration paid / payable to Independent Directors and Non-Independent Non-Executive Directors for the Financial Year 2024-25 are as under:

(Amount in ₹)

Sr. No.	Name	Sitting Fees	Commission	Total
1	Shri Ajay C. Mehta	2,80,000	15,00,000	17,80,000
2	Shri Meghav Mehta	1,60,000	15,00,000	16,60,000
3	Shri Sanjay Asher	4,40,000	20,00,000	24,40,000
4	Smt. Purvi Sheth	2,60,000	25,00,000	27,60,000
5	Shri Dileep Choksi	3,80,000	15,00,000	18,80,000
6	Shri Punit Lalbhai	2,80,000	15,00,000	17,80,000
7	Shri Vipul Shah	4,20,000	15,00,000	19,20,000
8	Shri Prakash Samudra	2,40,000	15,00,000	17,40,000
	Total	**24,60,000**	**1,35,00,000**	**1,59,60,000**

The details of Equity Shares of the Company held by Independent Directors and Non-Independent Non-Executive Directors as on March 31, 2025 are as under:

Sr. No.	Name of Non- Executive Director	No. of shares held
1	Shri Ajay C. Mehta	NIL
2	Shri Meghav Mehta	47,290
3	Shri Sanjay Asher	NIL
4	Smt. Purvi Sheth	NIL
5	Shri Dileep Choksi	NIL
6	Shri Punit Lalbhai	NIL
7	Shri Vipul Shah	NIL
8	Shri Prakash Samudra	NIL

The Company has no pecuniary relationship or transactions with its Independent Directors and Non-Independent Non-Executive Directors other than payment of sitting fees and reimbursement of expenses for attending meetings of Board and Committees thereof and Commission as approved by the shareholders for their invaluable contribution towards growth of the Company.

7. GENERAL BODY MEETINGS

(A) Annual General Meetings

The last three Annual General Meetings of the Company were held within the statutory time period and the details of the same are mentioned herein below:

Financial Year	Date	Time	Venue / Mode
2023-24	August 6, 2024	11:30 A.M.	Through Video Conference / Other Audio Visual Means ('VC'/ 'OAVM')
2022-23	August 4, 2023	11:30 A.M.	Through Video Conference / Other Audio Visual Means ('VC'/ 'OAVM')
2021-22	August 3, 2022	11:30 A.M.	Through Video Conference / Other Audio Visual Means ('VC'/ 'OAVM')

(B) Special Resolutions

The information regarding Special Resolutions passed in the previous three Annual General Meetings are as follows:

Meeting	Date of AGM	Information Regarding Special Resolutions Passed
53rd AGM	August 6, 2024	No Special Resolution was proposed.
52nd AGM	August 4, 2023	1) Re-appointment of Shri Deepak C. Mehta (DIN: 00028377) as the Chairman & Managing Director of the Company for further period five (5) years w.e.f. December 14, 2023, payment of remuneration to him and continue as the Chairman & Managing Director of the Company beyond the age of Seventy (70) years. 2) Re-appointment of Shri Dileep Choksi (DIN: 00016322) as an Independent Director of the Company for a second term of three (3) consecutive years w.e.f. August 7, 2023. 3) Payment of remuneration to Executive Directors who are Promoters or members of Promoter Group.
51st AGM	August 3, 2022	No Special Resolution was proposed.

(C) Extraordinary General Meeting

No Extraordinary General Meeting was held during the last three Financial Years i.e. 2023-24, 2022-23 and 2021-22.

(D) Postal Ballot

1) The Postal Ballot exercise was undertaken in the month of March-April 2024 seeking approval of shareholders by way of Special Resolutions for adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024 and also extending the said Scheme to the eligible employees of the Group Companies (including subsidiaries and associates) of the Company. Both the Special Resolutions were duly passed and the result of the Postal Ballot was announced on April 20, 2024. The Results were made available on the website of the Company at www.godeepak.com and were also communicated to BSE Limited, National Stock Exchange of India Limited and National Securities Depository Limited.

Date of Postal Ballot Notice:	March 20, 2024
Voting Period:	March 21, 2024 to April 19, 2024
Date of Passing the Resolutions:	April 19, 2024
Date of Declaration of Result:	April 20, 2024

The details and voting pattern of the Resolutions passed through the said Postal Ballot exercise are as under:

Sr. No.	Resolution	Ordinary/ Special	No. of Votes Cast	No. and % of Votes in Favour	No. and % of Votes Against
1	Adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024 for grant of Options to the Eligible Employees of Deepak Nitrite Limited.	Special	10,05,13,093	7,98,15,704 (79.41%)	2,06,97,389 (20.59%)
2	Adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024 for grant of Options to the Eligible Employees of Group Company/ies (including Subsidiaries and Associate companies) of Deepak Nitrite Limited.	Special	10,05,12,599	7,98,07,454 (79.40%)	2,07,05,145 (20.60%)

2) During April-May-2025, the Postal Ballot exercise was undertaken for seeking approval of shareholders by way of Special Resolutions for appointment and re-appointment of Independent Directors of the Company. The details of Special Resolutions passed through Postal Ballot are as follow:

1. Appointment of Dr. Arvind Nath Agrawal (DIN:00193566) as an Independent Director of the Company for a term of three (3) consecutive years with effect from June 28, 2025.
2. Appointment of Ms. Bhumika Batra (DIN: 03502004) as an Independent Director of the Company for a term of three (3) consecutive years with effect from June 28, 2025.
3. Appointment of Shri Mahesh Ramchand Chabbria (DIN: 00166049) as an Independent Director of the Company for a term of three (3) consecutive years with effect from June 28, 2025.
4. Re-appointment of Shri Punit Lalbhai (DIN: 05125502) as an Independent Director of the Company for a second term of three (3) consecutive years with effect from August 8, 2025.
5. Re-appointment of Shri Vipul Shah (DIN: 00174680) as an Independent Director of the Company for a second term of three (3) consecutive years with effect from August 8, 2025.

All Special Resolutions mentioned above were passed with requisite majority.

Shri Dinesh Joshi, Practising Company Secretary, Designated Partner of M/s KANJ & Co., LLP Company Secretaries, Pune was appointed as the Scrutinizer to scrutinize the above mentioned Postal Ballot processes by e-Voting in fair and transparent manner.

The Company has followed the procedure prescribed for conducting Postal Ballot under the provisions of the Act and Rules made thereunder and the Listing Regulations.

8. MEANS OF COMMUNICATION

(A) Financial Results

Pursuant to provisions of the Listing Regulations, the quarterly, half yearly and annual Financial Results of the Company are published, along with QR Code and weblink to the page where the full Financial Results are available, in the prescribed proforma within forty eight (48) hours of the conclusion of the meeting of the Board in which they are considered and approved, in widely circulating national and local dailies viz. The Business Standard (English), The Indian Express and The Financial Express (English and Gujarati).

The Company also issues Press Releases from time to time. Press Releases are submitted to the Stock Exchanges and hosted on the Company's website at www.godeepak.com

Statutory Notices are published in The Business Standard (English), The Indian Express and The Financial Express (English and Gujarati). Financial Results, Statutory Notices, Press Releases and Investors Presentations, after the declaration of the quarterly, half yearly and annual Financial Results are submitted to the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") as well as uploaded on the Company's website at www.godeepak.com.

(B) Annual Reports

In compliance with circulars issued by the Securities and Exchange Board of India and the Ministry of Corporate Affairs, soft copies of Annual Report for the Financial Year 2024-25 containing the Notice of 54th Annual General Meeting is being sent through e-mails to all those Members whose e-mail IDs are registered with the Company / RTA / Depository Participants. The Annual Report is also available on the website of the Company at the link www.godeepak.com and on the websites of BSE and NSE.

The Management Discussion and Analysis forms part of the Annual Report.

(C) Conference Call with Institutional Investors

Conference calls with Investors on Financial Results are held every quarter. The intimation for schedule of conference calls held during Financial Year 2024-25 were provided to NSE and BSE within the prescribed time limit.

The audio recording and transcripts of conference calls were uploaded on the website of the Company at www.godeepak.com. The said transcript and link of audio recording were also filed with NSE and BSE within the prescribed time limit under Listing Regulations.

(D) Stock Exchange Intimations

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges including Shareholding Pattern Integrated Filing (Governance) and Integrated Filing (Financial) are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated on the Stock Exchanges by filing them with the NSE through NEAPS and with BSE through BSE Listing Centre. They are also displayed on the Company's website at https://www.godeepak.com/disclosure-under-regulation-30-of-sebi/.

(E) Letters and Reminders to Shareholders for Unclaimed Shares / Dividend

The Company sends an annual reminder to shareholders who have not claimed their dividends. Reminder letters are also being sent to those shareholders whose unclaimed dividends/shares are liable to be transferred to the Investors Education and Protection Fund account. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, a common and simplified norms for processing investor's service request was introduced wherein all members holding securities of the Company in physical mode were mandatorily required to furnish their PAN and Nomination (for all eligible folios) to the Company's RTA by March 31, 2023 which was further extended to September 30, 2023 vide SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD- 1/P/CIR/2023/37 dated March 16, 2023.

With effect from April 1, 2024, dividend to shareholders (holding Shares in physical form), shall be paid only through electronic mode. Such payment shall be made upon folio being KYC compliant i.e. the PAN, contact details including mobile no., bank account details and specimen signature are registered with the RTA/Company. [SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/81 dated June 10, 2024]

Shareholders are requested to furnish the above details to enhance the ease of doing business in the securities market. A letter was also sent to the shareholders detailing the above requirements. The forms can be downloaded from the website of the Company at www.godeepak.com and also from the website of the Registrar and Share Transfer Agent at https://in.mpms.mufg.com/.

(F) Chairman Communique

At every Annual General Meeting, the Chairman addresses the shareholders on the Company's operations and performance with his speech.

Further, the Chairman's statement addressing the shareholders is also published in the Annual Report of the Company.

(G) Website

The Company's website www.godeepak.com has a dedicated section 'Investor Relation' which encompasses all the information for the Investors required under Regulation 46 of the Listing Regulations.

The other information such as Business, Financial Results, Policies and Codes, Stock Exchange filings, Press Releases, Annual Reports, etc. are also available on the website of the Company.

9. GENERAL SHAREHOLDER'S INFORMATION

The details of 54th Annual General Meeting and other General Shareholders Information are as under.

(1) Annual General Meeting

Day & Date	**Thursday, August 14, 2025**
Time	11:30 A.M. (IST)
Venue	Meeting is being conducted through Video Conferencing / Other Audio Visual Means ('VC'/ 'OVAM')
Financial Year	April 1, 2024 to March 31, 2025
Record Date	August 4, 2025
Dividend payment date	The dividend shall be paid within statutory time limit of 30 days from the date of Annual General Meeting i.e. on or before September 13, 2025.

(2) Financial Calendar for FY 2025-26

Results for the Quarter ending	Tentative Time of Reporting
June 30, 2025	On or before August 14, 2025
September 30, 2025	On or before November 14, 2025
December 31, 2025	On or before February 14, 2026
Audited Annual Accounts for the year ending March 31, 2026	On or before May 30, 2026

(3) Listing on Stock Exchanges and Stock Codes

The Company's Equity Shares are listed on the following Stock Exchanges in India:

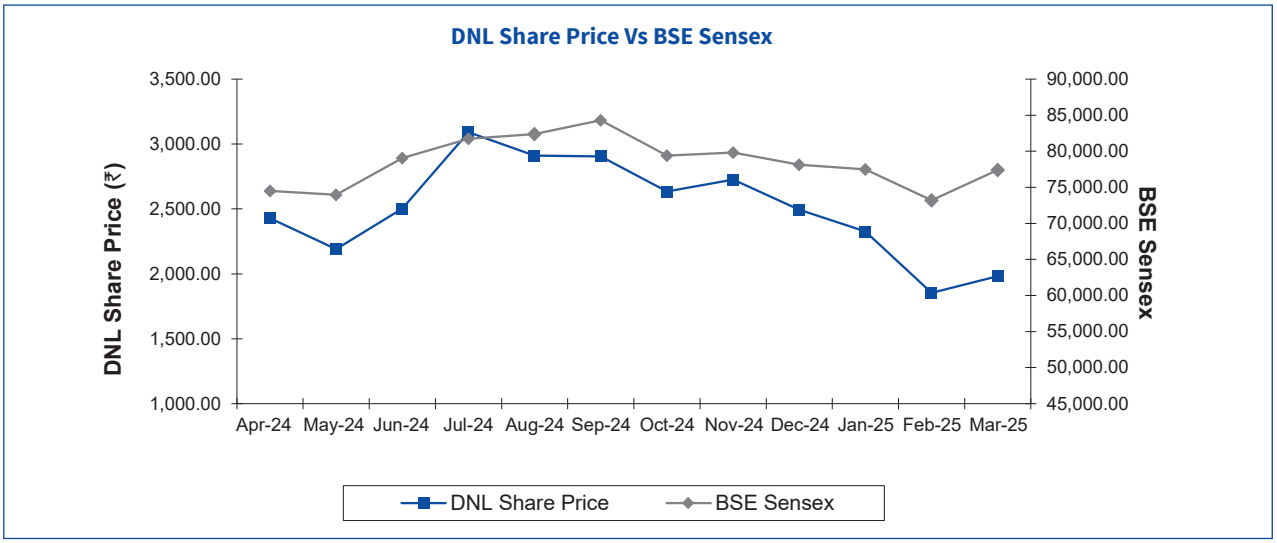
Name & Address of Stock Exchanges	Stock Code	ISIN with NSDL & CDSL
BSE Limited Pheroz Jeejeebhoy Towers, Dalal Street, Fort, Mumbai	506401	INE288B01029
National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai	DEEPAKNTR	

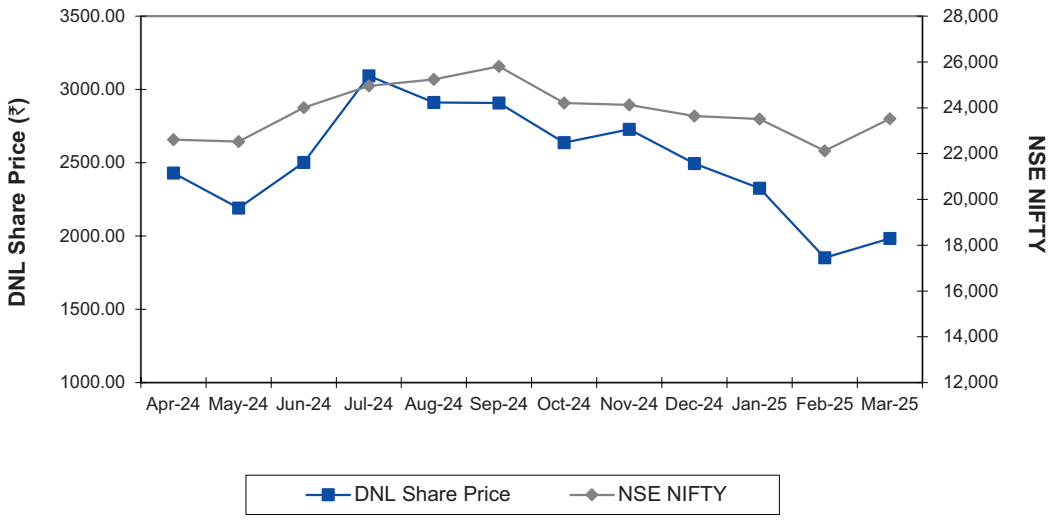
The securities of the Company have not been suspended from trading during the Financial Year 2024-25. The Company has made the payment towards Annual Listing Fees as applicable to BSE and NSE for the Financial Year 2025-26 within the prescribed timelines.

(4) Market Price Data of Equity Shares

Monthly High & Low market price of Equity Shares of the Company during Financial Year 2024-25 at BSE and NSE are as under:

Month	NSE		BSE	
	High ₹	Low ₹	High ₹	Low ₹
April, 2024	2535.00	2120.00	2534.85	2121.00
May, 2024	2619.80	2165.00	2173.00	1826.30
June, 2024	2646.00	2021.00	2646.70	2022.80
July, 2024	3122.05	2510.00	3177.30	2511.55
August, 2024	3169.00	2783.45	3168.65	2787.85
September, 2024	3023.80	2782.00	3025.65	2782.20
October, 2024	3011.15	2611.10	3012.45	2612.85
November, 2024	2885.10	2453.00	2908.00	2459.00
December, 2024	2778.00	2490.00	2778.90	2492.00
January, 2025	2527.35	2177.90	2524.50	2180.05
February, 2025	2399.95	1809.95	2398.80	1810.00
March, 2025	2113.90	1790.80	2124.95	1790.00





(5) Distribution of Shareholding as on March 31, 2025

No. of shares Range	No. of holders	% to holders	% of equity	No. of Shares
1 – 500	4,12,790	98.60	7.81	1,06,57,174
500 – 1000	2,449	0.59	1.38	18,81,102
1000 – 5000	2,578	0.62	4.27	58,17,576
5000 – 10000	425	0.10	2.18	29,70,790
10001 & above	410	0.10	84.36	11,50,66,399
TOTAL	**4,18,652**	**100.00**	**100.00**	**13,63,93,041**

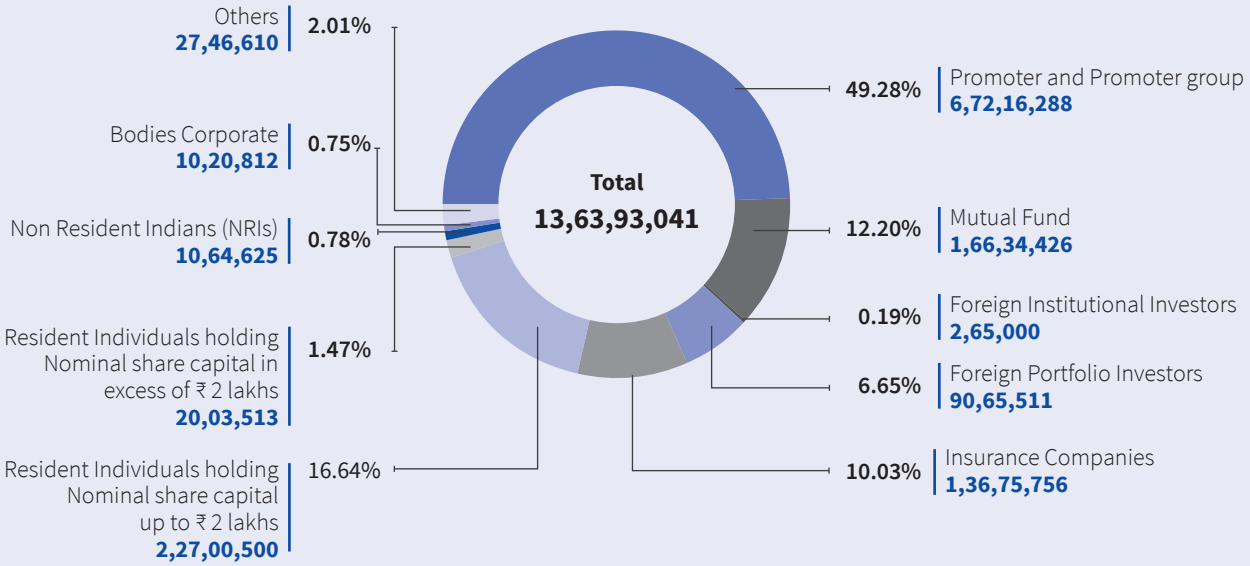
(6) Category – wise Shareholding Pattern as on March 31, 2025

Particular	No. of Equity Shares	% of Equity Shares
Promoter and Promoter group	6,72,16,288	49.28
Mutual Fund	1,66,34,426	12.20
Foreign Institutional Investors	2,65,000	0.19
Foreign Portfolio Investors	90,65,511	6.65
Insurance Companies	1,36,75,756	10.03
Resident Individuals holding Nominal share capital up to ₹ 2 Lakhs	2,27,00,500	16.64
Resident Individuals holding Nominal share capital in excess of ₹ 2 Lakhs	20,03,513	1.47
Non Resident Indians (NRIs)	10,64,625	0.78
Bodies Corporate	10,20,812	0.75
Others	27,46,610	2.01
Total	**13,63,93,041**	**100**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the recent past and hence, as on March 31, 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

CATEGORY-WISE SHAREHOLDING AS ON MARCH 31, 2025

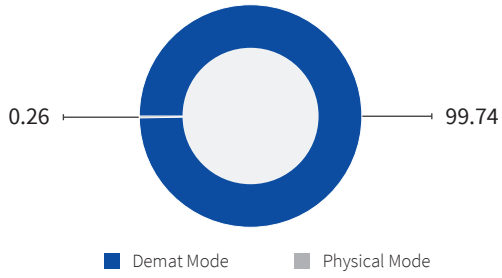
As on March 31, 2025 (% and number of shares)



(7) Dematerialisation of Equity Shares

The Company's Equity Shares are compulsorily traded in dematerialized form on NSE and BSE. Equity Shares of the Company representing 99.74 percent of the Company's equity share capital i.e. 13,59,34,510 equity shares were held in dematerialized form as on March 31, 2025.

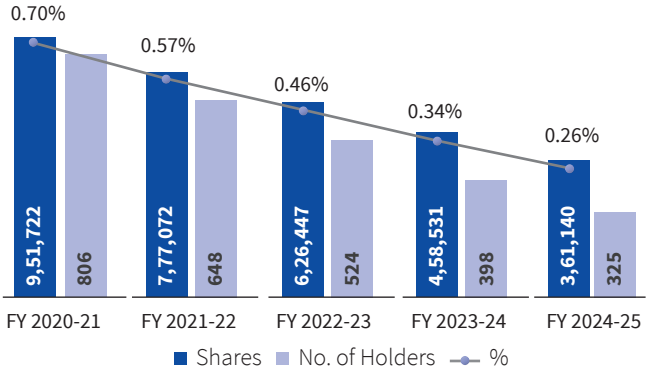
Total paid-up equity share capital of the Company as on March 31, 2025, is ₹ 27,27,86,082/- divided into 13,63,93,041 Equity Shares of ₹ 2.00 each.



(8) Reduction in Physical Shareholders

As per SEBI guidelines, the Company has been making continuous efforts to ensure physical shareholders convert their physical share holding into dematerialized form. As a result of the same, there has been significant reduction in number of shareholders holding shares in physical forms in the last 5 years.

As on March 31, 2025, shareholding in physical forms is only 0.26%.



(9) Share Transfer System

Transfer of shares held in physical form has been discontinued with effect from April 1, 2019. Listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a Letter of Confirmation will be issued to the shareholders and shall be valid for a period of one hundred and twenty (120) days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fails to submit the dematerialisation request within one hundred and twenty (120) days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

Additionally, the Company / RTA shall issue a reminder after the end of forty five (45) days and ninety (90) days from the date of issuance of Letter of Confirmation, informing the shareholders to submit the demat request as above, in case no such request has been received by the RTA / Issuer Company. Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

(10) Request for updation of PAN, KYC details and Choice of Nomination

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC details (viz. contact details, mobile number, bank account details, signature) and nomination/opt-out of nomination, before getting any Investor Service Request (ISR) processed.

Shareholders who are yet to update the said details in their physical folios are, therefore, urged to furnish PAN, KYC details and Choice of Nomination by submitting the prescribed forms duly filled, to the RTA by e-mail from their registered e-mail ID or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to the RTA.

For furnishing the above mentioned details, shareholder shall send the hard copy of Form ISR- 1 and/or ISR-2, available on the website of the Company as well as on the website of Registrar and Share Transfer Agent.

As a part of the effective shareholder management and grievances redressal processes, various shareholders' request received by the Company and RTA are processed promptly within the prescribed time line.

Shareholders are informed that in case of any dispute against the Company and/or its RTA on delay or default in processing your requests, as per SEBI Circular dated May 7, 2024, an arbitration can be filed with the Stock Exchanges for resolution.

(11) Reconciliation of Share Capital Audit

Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, certificates have been received from a Company Secretary in Practice for timely dematerialization of shares and for reconciliation of the share capital of the Company on a quarterly basis.

The said reconciliation report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

(12) Registrar and Share Transfer Agent

The name of the Registrar and Transfer Agent changed from "Link Intime India Private Limited" to "MUFG Intime India Private Limited" with effect from December 31, 2024 upon acquisition of Link group by Mitsubishi UFJ Trust & Banking Corporation.

The contact details of MUFG Intime India Private Limited, RTA, of the Company is as under:

Mumbai Office:

C-101,Embassy 247,

LBS.Marg, Vikhroli (West),

MUMBAI – 400083

Tel: 022 - 4918 6000

Toll free number: 1800 1020 878

Email: mumbai@in.mpms.mufg.com

Investor Relation Centre at Vadodara:

"Geetakunj"

1, Bhakti Nagar Society, Behind ABS Tower,

Old Padra Road, Vadodara – 390015

Tel: 0265 – 3566768

E-mail: vadodara@in.mpms.mufg.com

(13) Address for Investor Correspondence

Deepak Nitrite Limited

2nd Floor, Fermenter House, Alembic City,
Alembic Avenue Road, Vadodara -390003

Contact Person: Shri Arvind Bajpai

Telephone Numbers: (0265) 2765200, 2765500

E-mail: investor@godeepak.com

Website: www.godeepak.com

Shareholders holding shares in electronic mode should address all their correspondence related to change of address or bank details or NECS mandate to their respective Depository Participants.

(14) Unclaimed / Unpaid Dividend transferred to IEPF Account

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF. Further, all the shares in respect of which dividend has remained unclaimed for seven (7) consecutive years or more shall also be transferred to IEPF Authority.

The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at www.godeepak.com.

The details of unclaimed/unpaid dividends and shares transferred to IEPF during Financial Year 2024-25 are as follows:

Pertaining to Financial Year	Amount of Unclaimed Dividend transferred	Number of Shares transferred
2016-17	₹ 12,50,930	62,276

Process for claiming dividends/shares from IEPF

The shareholders, whose dividends and/or shares are transferred to IEPF Authority, can claim dividends and/or shares by following the procedure as provided herein below:

1. **Online Application vide Form IEPF-5 on MCA V3:**

   Claimant to claim dividends and/or shares by filing the Form IEPF-5 on MCA V3 Portal. Self-attested copies of required documents to be attached.

2. **Dispatch of documents to the Nodal Officer of the Company:**

   Claimant to dispatch hard copy of the self-attested Form IEPF-5 along with other requisite documents, to the Nodal Officer of the Company at its registered office.

3. **Upload of proof of dispatch on MCA V3 Portal:**

   Claimant to update date of dispatch and upload proof thereof, on the MCA V3 Portal.

4. **Submission of E-Verification Report by the Company:**

   Within 30 days of receiving the self-attested Form IEPF-5 from the claimant, the Company is required to approve/ reject the claim by way of filing E-Verification Report on MCA V3 Portal.

5. **IEPF Authority to release shares and/or dividends:**

   Once the claim is approved by the Company and also by the IEPF Authority, the dividends and/or shares are electronically transferred by the IEPF Authority to the Claimant's bank and/or demat account, as the case may be.

No claims shall lie against the Company in respect of the dividend/shares transferred to IEPF Authority.

Dividends due for transfer to IEPF

The following table give information relating to various dividends due for transfer to IEPF and the dates by which they can be claimed by the shareholders from the Company's RTA:

Financial Year	Dividend Declaration Date	Last date for claiming unpaid dividend
2017-2018	August 3, 2018	August 2, 2025
2018-2019	June 28, 2019	June 27, 2026
2019-2020	August 7, 2020	August 6, 2027
2020-2021	July 30, 2021	July 29, 2028
2021-2022	August 3, 2022	August 2, 2029
2022-2023	August 4, 2023	August 3, 2030
2023-2024	August 6,2024	August 5, 2031

(15) Green Initiatives

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies.

Through its Circulars No. 17/2011 dated April 21, 2011 and No. 18/2011 dated April 29, 2011, MCA has provided that the service of notice / documents by a company to its shareholders can now be made through electronic mode.

In accordance with these circulars, the Company proposes to send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

(16) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has adequate Risk Assessment and Minimisation system in place including Foreign Exchange. The Foreign Exchange Risk is managed through the hedging strategy of the Company which is reviewed periodically.

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same is carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

(17) Plant Locations

1	Nitrite & Nitroaromatics Division, 4-12, GIDC Chemical Complex, Nandesari –Dist., Vadodara – 391 340, Gujarat
2.	Taloja Chemicals Division, Plot Nos. K/9-10, MIDC Taloja, Dist. Raigad - 410 208, Maharashtra
3.	Roha Division, Plot Nos. 1-8, 26-34, MIDC Dhatav, Roha, Dist. Raigad - 402 116, Maharashtra
4.	Hyderabad Specialities Division, Plot Nos. 70A & B, 71A, 90-F, D-121 & 121A and 22, Phase I, Industrial Development Area, Jeedimetla, Hyderabad – 500055, Telangana
5.	Dahej Division: 12/B/2, GIDC, Dahej, Dist. Bharuch– 392 130, Gujarat

(18) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant Financial Year for Bank Loan facilities

Long Term Rating: [ICRA]AA (pronounced ICRA double A) (Positive)

Short Term Rating: [ICRA]A1+ (pronounced ICRA A one plus)

10. OTHER DISCLOSURES

(1) Related Party Transactions

Pursuant to Regulation 23 of Listing Regulations, all Related Party Transactions entered by the Company with Related Parties under Section 2(76) of the Act during Financial Year 2024-25 (including any material modifications thereof), were on an arm's length basis and most of such transactions were in the ordinary course of business, repetitive in nature and were carried out with prior approval of the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions.

The details of all Related Party Transactions, as approved, were placed on a quarterly basis before the Audit Committee for its review.

Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements of the Company.

Pursuant to Regulation 23(9) of the Listing Regulations, the Company has filed the necessary reports on Related Party Transactions with the Stock Exchanges within the statutory timelines.

The Company's policy on materiality of Related Party Transactions and also dealing with Related Party Transactions, as approved by Board is available on the website of the Company at the following link
https://www.godeepak.com/wp-content/uploads/2025/02/DNL_Policy-on-Materiality-of-Related-Party-Transaction.pdf

(2) Loans and advances in the nature of loans to firms/companies in which Directors are interested

The Company has not given any loans or advances to any firm/company in which its Directors are interested except to its Wholly Owned Subsidiary in accordance with the provisions of the Companies Act, 2013 details of which have been disclosed in the Financial Statements.

(3) Details of Non – Compliance

Pursuant to Schedule V(C) 10(b) of Listing Regulations, there was no instance of non-compliance by the Company nor any penalty or strictures imposed on the Company by any Stock Exchange(s), SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

(4) Whistle Blower Policy and Vigil Mechanism

Pursuant to Regulation 22 of the Listing Regulations, the Company has established a vigil mechanism for Directors and employees to report concern about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and also actual or suspected leak of unpublished price sensitive information. During the Financial Year 2024-25, no person denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is placed on the website of the Company and weblink to the same is as under:
https://www.godeepak.com/wp-content/uploads/2024/11/DNL_Whistle-Blower-Policy.pdf

(5) Details of Compliance with Mandatory requirements and adoption of Non-mandatory / discretionary requirements

The Company has complied with all the mandatory requirements of the Listing Regulations for the Financial Year 2024-25.

(6) Policy for Material Subsidiaries

In accordance with the provisions of the Listing Regulations, the Company has a duly formulated policy for Material Subsidiaries in order to determine the Material Subsidiaries and to provide governance framework for such subsidiaries. The said policy has been placed on the website of the Company and weblink to the same is as under:

https://www.godeepak.com/wp-content/uploads/2025/02/DNL_Policy-for-Determining-Material-Subsidiary.pdf

The Company is having following material subsidiaries:

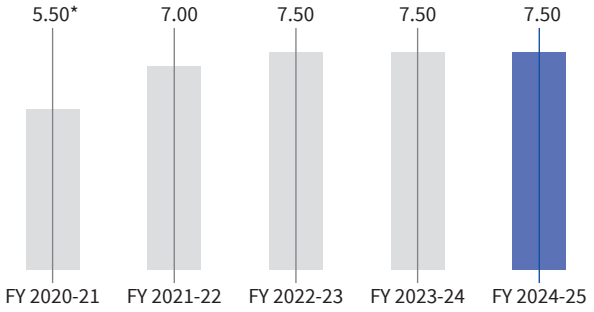
- Deepak Phenolics Limited
- Deepak Chem Tech Limited

(7) Dividend Distribution Policy

Pursuant to Regulation 43A of the Listing Regulations, the Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the shareholders. The Dividend Distribution Policy is attached as Annexure – I to the Corporate Governance Report and is also available on the website of the Company at https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Dividend-Distribution-Policy.pdf

Dividend History of Last five years

(Dividend per share in ₹)



** Includes special dividend of ₹ 1 per equity share, being 50%, to commemorate Golden Jubilee year of the Company.*

(8) Details of Directors seeking appointment or re-appointment

The details of Directors seeking appointment or re-appointment at the 54th Annual General Meeting of the Company are provided in Annexure - I to the Notice convening the 54th Annual General Meeting of the Company and forms part of the Annual Report.

(9) Demat Suspense Account – Unclaimed Share Certificates

In terms of the provisions of the Listing Regulations, the Company has transferred the shares issued pursuant to the public issues or any other issue, the certificates of which remained unclaimed, to an Unclaimed Suspense Account and these shares are being held by the Company in Demat form on behalf of the beneficial owners of the said shares.

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the Listing Regulations, details of Equity Shares in the Demat Suspense Account are as follows:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding Shares in the suspense account lying at the beginning of the Financial Year 2024-25	17	43810
Number of shareholders who approached the Company for transfer of shares from Suspense Account during the Financial Year 2024-25	2	3000
Number of shareholders to whom shares were transferred from Suspense Account during the Financial Year 2024-25	2	3000
Number of shareholders whose shares were transferred from Suspense Account to the demat account of IEPF Authority during the Financial Year 2024-25	15	40810
Aggregate number of shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2025	00	00

The voting rights on the shares outstanding in the Demat Suspense Account as on March 31, 2025, shall remain frozen till the rightful owner of such shares claims the shares.

(10) Suspense Escrow Demat Account (SEDA)

As per the Circular(s) issued by SEBI, after due verification of the investor service requests received from the shareholders/claimants, Letter of Confirmation ("LOCs") are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is one hundred twenty (120) days from the date of issuance, within which the shareholder/claimant is required to make a request to the Depository Participant (DP) for dematerialising the shares covered by the LOC. In case the demat request is not submitted within the aforesaid timeline of one hundred twenty (120) days, companies are required to transfer such shares to SEDA opened by companies for this purpose.

Shareholders/claimants can claim back their shares from SEDA by submitting the required documents to the Company's RTA as per SEBI Advisory dated 30th December, 2022, as amended.

The details of shares transferred to / released from SEDA during the Financial Year 2024-25 are as under:

Particulars	No. of Shareholders / Claimants	No. of shares
Shares lying in SEDA as on April 1, 2024	1	1,350
Shares transferred to SEDA during Financial Year 2024-25	0	0
Shares claimed back from SEDA during Financial Year 2024-25	0	0
Shares lying in SEDA as on March 31, 2025	1	1,350

The voting rights on these shares shall remain frozen till the rightful owner of the shares claims the shares.

The Company has not transferred any shares to any other Suspense Account.

(11) Secretarial Audit and Other Certificates

KANJ & Co., LLP (Firm Registration No. P2000MH005900), a peer-reviewed Firm, has conducted Secretarial Audit of the Company for the Financial Year 2024-25.

The following certificates from Shri Dinesh Joshi, Practising Company Secretary, Designated Partner of KANJ & Co., LLP, Company Secretaries, Pune, are enclosed to this Report:

(a) Compliance Certificate regarding compliance of conditions of Corporate Governance; and

(b) Certificate 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 SEBI / Ministry of Corporate Affairs or any such statutory authority.

(12) Total Fees to Statutory Auditors

Total fees paid/payable for all services availed by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP, Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

(₹ in Crores)

Payment to Statutory Auditors	FY 2024-25
Statutory Audit Fees	0.99
Limited Review	0.36
Tax Audit Fees	0.08
Taxation Services	0.07
Other Certification	0.19
Total	**1.69**

(13) Details of Incorporation and Statutory Auditors of Material Subsidiaries are as follows

Name of Material Subsidiary Companies	Country and Date of Incorporation		Details of Statutory Auditors
Deepak Phenolics Limited	India	29.03.2011	Deloitte Haskins & Sells LLP appointed on June 25, 2021
Deepak Chem Tech Limited	India	09.10.2020	Deloitte Haskins & Sells LLP appointed on September 30, 2021

(14) Disclosure of status of complaints under the Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act, 2013

Number of Complaints pending at the beginning of Financial Year 2024-25	0
Number of Complaints received during the Financial Year 2024-25	0
Number of Complaints disposed off during the Financial Year 2024-25	0
Number of Complaints pending as on end of the Financial Year 2024-25	0

(15) Recommendations of the Committees

During the year under review, there were no instances where recommendations of any Committee of the Board which is mandatorily required for approval by the Board, were not accepted by the Board.

(a) Modified Opinion(s) in Audit Report

During the year, there was no audit qualification on Company's Financial Statements. The Statutory Auditors have issued the Audit Report for the year ended March 31, 2025 with unmodified opinion.

(b) Reporting of Internal Auditor

Internal Auditors of the Company make quarterly presentations to the Audit Committee. The Internal Auditors of the Company directly reports to the Audit Committee.

(16) Disclosure regarding adoption of discretionary requirements as specified in Part E of Schedule II of Listing Regulations

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives ('Insider Trading Code').

All the Directors, Employees of the Company and their immediate relatives and other connected persons who could have access to the Unpublished Price Sensitive Information of the Company, are governed under this Insider Trading Code and same is also uploaded on the Company's website at www.godeepak.com.

Shri Arvind Bajpai, Company Secretary of the Company is the 'Compliance Officer' for the purpose of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

11. CODE OF CONDUCT

The Company has adopted a Code of Conduct for the Board of Directors and the Senior Management ("the Code") in terms of requirement of the Listing Regulations, which is available on the website of the Company at www.godeepak.com. The Code lays the general principles designed to guide all Directors and Senior Management for ethical conduct of business and compliance of laws.

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the Financial Year 2024-25.

A declaration to that effect signed by the Executive Director & CEO is given below:

DECLARATION

As per requirement of the Listing Regulations, this is to confirm that all members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for Financial Year 2024-25.

Vadodara,
May 28, 2025

Maulik Mehta
Executive Director & CEO

12. CEO/CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer of the Company give Annual Certification on Financial Reporting and Internal Controls to the Board in terms of requirements of the Listing Regulations. The Chief Executive Officer and the Chief Financial Officer also give Quarterly Certification on Financial Results while placing the Financial Results before the Audit Committee and the Board.

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS

To,
The Members,
Deepak Nitrite Limited,
2nd Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara - 390003

We have examined the compliance of conditions of Corporate Governance by **DEEPAK NITRITE LIMITED** ("the Company") having CIN: L24110GJ1970PLC001735 for the Financial Year ended March 31, 2025 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression on Financial Statements of the Company.

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

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

For **KANJ & CO. LLP**
Company Secretaries

Dinesh Joshi
Designated Partner
Membership No.: F3752
CP No. 2246
UDIN: F003752G000476983
Peer review certificate No. 6309/2024

Date : May 28,2025
Place: Pune

To,
The Members,
DEEPAK NITRITE LIMITED
2nd Floor, Fermenter House,
Alembic City, Alembic Avenue Road,
Vadodara - 390003

This is to certify that on verification of declarations made by the Directors and records maintained by **DEEPAK NITRITE LIMITED** ("the Company"), 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 Securities Exchange Board of India (SEBI) / Ministry of Corporate Affairs or any such Statutory Authority, as per the requirements of point 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

For **KANJ & Co. LLP**
Company Secretaries

Dinesh Joshi
Designated Partner
Membership No.: F3752
CP No. 2246
UDIN: F003752G000477060
Peer review certificate No. 6309/2024

Date : May 28, 2025
Place: Pune

Annexure-I

DIVIDEND DISTRIBUTION POLICY

(Approved by the Board of Directors on May 4, 2018)

1. INTRODUCTION

The Securities and Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulation, 2016.

Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which requires top five hundred listed entities (based on market capitalization calculated as on March 31 of every Financial Year) to formulate a Dividend Distribution Policy, which shall be disclosed its Annual Report.

Deepak Nitrite Limited ('the Company'), being one of the five hundred companies as per the criteria mentioned above; the Board of Directors has approved and adopted this Dividend Distribution Policy at their meeting held on May 4, 2018, being the effective date of the Policy.

2. OBJECTIVES AND SCOPE

This Policy lays down the broad framework which will act as a guiding principle for the purpose of declaring or recommending Dividend during or for any Financial Year, by the Company.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring Dividend and the circumstances under which shareholders of the Company may or may not expect Dividend and how the retained earnings shall be utilized etc.

The Policy, however, is not an alternative to the decision making process of the Board for recommending Dividend and the Board may take into consideration other factors as well in addition to those numerated in this Policy.

3. APPLICABILITY

This Policy shall apply to the Dividend on the Equity Shares of the Company. Presently, the Company has only one class of Equity Shares.

This Policy shall not apply to determination and declaration of Dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue of such preference shares, approved by the shareholders.

4. DEFINITIONS

4.1. **"Board of Director"** or **"Board"** shall mean the Board of Directors of the Company, as constituted from time to time.

4.2. **"Companies Act"** or **"Act"** shall mean the Companies Act, 2013 and Rules framed thereunder, including any amendments, modifications, clarifications or re-enactment thereof, for the time being in force.

4.3. **"Dividend"** includes any interim dividend.

4.4. **"Financial Year"** a consecutive period of 12 months ending March 31.

4.5. **"Policy"** means this Dividend Distribution Policy.

4.6. **"Regulations"** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, including any amendments, modifications, clarifications or re-enactment thereof, for the time being in force.

5. DECLARATION OF DIVIDEND

5.1 Subject to provisions of the Act, Dividend may be declared and paid out of:

(a) Profits of the Company for the Financial Year for which the Dividend is to be paid after setting off carried over losses of the previous Financial Year and depreciation not provided in the previous Financial Year(s);

(b) Undistributed profits of the previous Financial Years remaining undistributed after provisioning for depreciation in accordance with the Act and/or Regulations; or

(c) Out of (a) and (b) both.

5.2 Before declaration of Dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

6. PARAMETERS FOR DECLARATION OF DIVIDEND

6.1 The Board of Directors may consider the following financial parameters, internal and external factors while recommending or declaration of the Dividend:

A. Financial Parameters / Internal Factors

- Operating cash flow of the Company
- Profit earned during the Financial Year and available for distribution.
- Earnings Per Share (EPS)
- Gross Dividend payout ratio
- Financial Ratios

- Business expansion and growth
- Company's liquidity position and future cash flow need
- Stipulation / covenants in loan Agreements
- Such other factors as the Board may deem fit from time to time

B. External Factors

- Economic environment
- Capital markets
- Global conditions
- Industry outlook and growth rate
- Economic and regulatory framework
- Governmental policies

6.2 While recommending or declaring Dividend, the Board will consider adequacy of profit calculated in accordance with the applicable provisions of the Act and Indian Accounting Standards. The Board of Directors may, in exceptional circumstances, consider utilising retained earning for declaration of Dividend subject to the provisions of the Act and / or Regulations.

7. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

Dividend payout is a crucial decision as it determines the share of profit to be distributed amongst the shareholders and share of profit to be retained in the business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through Dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not normally expect Dividend in the following circumstances, subject to discretion of Board of Directors:

- In case the Company has incurred losses or inadequacy of profit
- It would in the interest of the Company to re-invest / plough back the profits of the Company for major expansion / diversification requiring major funding
- Any other unforeseen event which would restrict ability to recommend Dividend

8. UTILISATION OF RETAINED EARNINGS

The Board of Directors may retain its earnings in order to make better use of available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following:

- Market expansion plan
- Product expansion plan
- Increase in production capacity
- Replacement of capital assets
- Diversification of business
- Long term strategic plans
- Dividend payment
- Such other criteria as the Board may deem fit from time to time
- Such purpose as may be permitted under the Act and/or Regulations

9. PROCEDURE

9.1 Pursuant to provisions of the Act, the Regulations and the Policy, interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders' approval, at the ensuing Annual General Meeting of the Company.

9.2 The Members, whose name appears in the Register of Member as on Record Date as may be decided by the Board of Directors, shall be entitled for Dividend.

9.3 The Dividend shall be paid to the Members within the limit prescribed under the Act and/or Regulations.

9.4 The Company shall ensure compliance of provisions of the Act and/or Regulations and this Policy in relation to Dividend declared by the Company.

10. PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of Equity Shares with equal voting rights, all the Members of the Company are entitled to receive the same amount of Dividend per Equity Share. The Policy shall be suitably revised at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

11. DISCLOSURES

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

12. REVIEW AND AMENDMENTS

12.1 This Policy will be reviewed by the Board of Directors of the Company as they deem necessary.

12.2 The Board of Directors on its own can amend this Policy, as and when deem fit.

12.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Independent Auditor's Report

To The Members of Deepak Nitrite Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Deepak Nitrite Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition** Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cutoff can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, testing of cut-offs and performing analytical review procedures.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report, that:

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

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

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

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

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

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 39 to the standalone financial statements;

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 49 (v)(a) and (b) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 49 (vi)(a) and (b) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 50 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software's systems for maintaining its books of account for the financial year ended March 31, 2025, which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN 25116642BMLMXH3395)

Place: Vadodara
Date: May 28, 2025

Annexure "A" to the Independent Auditor's Report

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

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls with reference to standalone financial statements of Deepak Nitrite Limited (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN 25116642BMLMXH3395)

Place: Vadodara
Date: May 28, 2025

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Deepak Nitrite Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in- progress and right-of-use assets so to cover all the items once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and acquired buildings (other than properties where the Company is the lessee and the lease agreements/supplementary agreements/ deed of assignments are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the Company based on the confirmations directly received by us from lenders / custodians.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable when compared with books of account.

(ii) (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed. The Company is yet to submit the return/ statement for the quarter ended March 31, 2025 with the banks or financial institutions.

(iii) The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

(₹ in Crore)

Particulars	Loans	Guarantees
Aggregate amount granted/provided during the year:		
- Subsidiaries	13.90	42.79
- Others*	1.25	-
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	8.90	42.79
- Others*	2.20	-

*Pertains to employee loans

The Company has not provided any advance in nature of loans to any other entities during the year.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, not prejudicial to the Company's interest.

(c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (₹ in Crores)	Amount unpaid (₹ in Crores)
Central Sales Act	Sales Tax	Sales Tax commissioner (Appeal)	FY 2010 to FY 2014	0.53	-
Employees' Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	Gujarat High Court	FY 1993 to FY 1996	0.10	0.10

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company did not have any associates or joint ventures during the year.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2024 and the draft of the internal audit reports where issued after the balance sheet date covering the period January 2025 to March 2025 for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause (xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN 25116642BMLMXH3395)

Place: Vadodara
Date: May 28, 2025

Standalone Balance Sheet

as at March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

₹ in Crores

		Notes	As at March 31, 2025	As at March 31, 2024
I.	**ASSETS**			
	Non-Current Assets			
	(a) Property, Plant and Equipment	2	895.41	832.63
	(b) Capital Work-in-Progress	2	170.42	125.61
	(c) Intangible Assets	3	2.55	2.66
	(d) Financial Assets			
	Investments	4	1,283.86	854.91
	Loans	5	1.35	1.54
	Other Financial Assets	6	7.48	3.72
	(e) Non-Current Tax Assets (Net)	7	0.13	0.88
	(f) Other Non-Current Assets	8	10.63	8.71
	Total Non-Current Assets		**2,371.83**	**1,830.66**
	Current Assets			
	(a) Inventories	9	452.34	380.57
	(b) Financial Assets			
	Investments	10	88.59	90.08
	Trade Receivables	11	612.93	614.26
	Cash and Cash Equivalents	12	6.09	172.91
	Bank balances other than Cash and Cash Equivalents above	13	1.97	1.87
	Loans	5	10.24	170.78
	Other Financial Assets	14	10.44	59.49
	(c) Other Current Assets	15	63.04	50.39
	Total Current Assets		**1,245.64**	**1,540.35**
	TOTAL ASSETS		**3,617.47**	**3,371.01**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	16	27.28	27.28
	(b) Other Equity	17	3,099.20	2,927.26
	Total Equity		**3,126.48**	**2,954.54**
	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	Lease Liabilities	42	29.37	30.02
	(b) Provisions	18	32.23	29.02
	(c) Deferred Tax Liabilities (Net)	19	50.30	48.93
	Total Non-Current Liabilities		**111.90**	**107.97**
	Current Liabilities			
	(a) Financial Liabilities			
	Borrowings	20	18.87	-
	Lease Liabilities	42	1.49	2.01
	Trade Payables			
	Total outstanding dues of			
	a) Micro Enterprises and Small Enterprises	21	49.51	24.85
	b) creditors other than Micro Enterprises and Small Enterprises	21	246.42	214.51
	Other Financial Liabilities	22	33.43	29.57
	(b) Other Current Liabilities	23	10.71	13.53
	(c) Provisions	18	16.68	16.64
	(d) Current Tax Liabilities (Net)	24	1.98	7.39
	Total Current Liabilities		**379.09**	**308.50**
	Total Liabilities		**490.99**	**416.47**
	TOTAL EQUITY AND LIABILITIES		**3,617.47**	**3,371.01**
	Material Accounting Policies	1		

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Maulik Mehta
Executive Director & CEO
DIN: 05227290

Dileep Choksi
Director
DIN: 00016322

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Arvind Bajpai
Company Secretary
Membership No.: F6713

Vadodara: May 28, 2025

Standalone Statement of Profit and Loss

for the Year ended March 31, 2025
Corporate Identification Number: L24110GJ1970PLC001735

₹ in Crores

		Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**Revenue from Operations**	25	2,526.47	2,724.35
II.	**Other Income**	26	149.19	123.70
III.	**Total Income (I+II)**		**2,675.66**	**2,848.05**
IV.	**Expenses:**			
	(a) Cost of Materials Consumed	27	1,460.66	1,476.13
	(b) Purchase of Stock-In-Trade		0.17	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(53.81)	26.41
	(d) Employee Benefits Expense	29	275.05	250.36
	(e) Power & Fuel Expenses	30	229.37	222.77
	(f) Finance Costs	31	3.78	2.09
	(g) Depreciation and Amortisation Expense	32	99.87	86.79
	(h) Other Expenses	33	323.03	305.04
	Total Expenses (IV)		**2,338.12**	**2,369.59**
V.	**Profit Before Exceptional Items and Tax (III-IV)**		**337.54**	**478.46**
VI.	**Exceptional Items**	48	-	79.80
VII.	**Profit before Tax (V+VI)**		**337.54**	**558.26**
VIII.	**Tax Expense:**			
	(a) Current Tax		62.38	129.89
	(b) Deferred Tax		(1.27)	(5.06)
IX.	**Profit for the Year (VII-VIII)**		**276.43**	**433.43**
X.	**Other Comprehensive Income:**			
	Items that will not be Reclassified to Profit and Loss:			
	(a) Remeasurement of Defined Benefit Obligations (Net)		(3.25)	(2.40)
	(b) Tax Effect on remeasurement of Defined Benefit obligations (Net)		0.83	0.62
	(c) Fair Value Gains on Investments		0.30	0.16
	(d) Tax effect of Fair Value Gains on Investments		(0.08)	(0.04)
	Total Other Comprehensive Income for the Year (X)		**(2.20)**	**(1.66)**
XI.	**Total Comprehensive Income for the Year (IX+X)**		**274.23**	**431.77**
	Earnings Per Equity Share			
	(a) Basic (Nominal Value per Share ₹ 2)	43	20.27	31.78
	(b) Diluted (Nominal Value per Share ₹ 2)	43	20.27	31.78

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Maulik Mehta
Executive Director & CEO
DIN: 05227290

Dileep Choksi
Director
DIN: 00016322

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Arvind Bajpai
Company Secretary
Membership No.: F6713

Vadodara: May 28, 2025

Standalone Cash Flow Statement

for the Year ended March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax after exceptional item	**337.54**	**558.26**
	Adjustments for :		
	1. Depreciation and Amortisation Expense	99.87	86.79
	2. Loss/(Gain) on Sale of Property, Plant and Equipment	(13.25)	0.06
	3. Gain on disposal/modification of RTU assets	-	(1.55)
	4. Provision/(Reversal) for Doubtful Debts	4.74	(8.58)
	5. Provision/(Reversal) for Inventory Obsolescence	1.47	(0.07)
	6. Gain on Redemption of Current Investment including gain on fair valuation	(21.31)	(23.36)
	7. Finance Costs	3.78	2.09
	8. Interest Income	(8.00)	(8.63)
	9. Dividend Income	(98.00)	(75.60)
	10. Bad Debts (net of recovery)	-	1.69
	11. Unrealised Foreign Exchange Loss/(Gain) (Net)	0.72	1.67
	Operating Profit Before Change in Operating Assets and Liabilities	**307.56**	**532.77**
	Movements in Working Capital :		
	1. (Increase)/Decrease in Inventories	(73.24)	67.13
	2. (Increase)/Decrease in Trade Receivables	(4.58)	(10.52)
	3. (Increase)/Decrease in Other Assets	30.46	(14.64)
	4. Increase/(Decrease) in Trade Payables	57.09	(38.14)
	5. Increase/(Decrease) in Other Liabilities	0.44	4.33
	Cash Generated from Operations	**317.73**	**540.93**
	Less: Income Tax paid (net of refund)	63.65	122.51
	Net Cash Inflow from Operating Activities (A)	**254.08**	**418.42**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	1. Purchase of Property, Plant and Equipment, including Capital Work-in-Progress, Capital Advances & Payable for Capital Expenditure	(209.95)	(208.12)
	2. Purchase of Intangible assets	(0.65)	(1.32)
	3. Proceeds from Sale of Property, Plant and Equipment	17.05	3.20
	4. Investment in Subsidiaries	(428.65)	(166.74)
	5. Loan given to Subsidiaries	(13.90)	(328.00)
	6. Repayment of Loan by Subsidiaries	174.98	158.02
	7. Net Proceeds/(Purchase) from Redemption of Current Investments	22.82	302.10
	8. Interest received	7.77	9.10
	9. Dividend received	98.00	75.60
	Net Cash Outflow from Investing Activities (B)	**(332.53)**	**(156.16)**

Standalone Cash Flow Statement (Contd.)

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	1. Net (Proceeds)/Borrowings from Current Borrowings	18.87	-
	2. Interest paid	(0.71)	(0.84)
	3. Dividend paid on Equity Shares	(102.29)	(102.29)
	4. Margin Money Deposit (Net)	(0.01)	(0.01)
	5. Principal repayment of Lease Liability	(1.16)	(1.11)
	6. Interest paid on lease	(3.07)	(1.25)
	Net Cash Outflow from Financing Activities (C)	**(88.37)**	**(105.50)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(166.82)**	**156.76**
	Cash and Cash Equivalents at the Beginning of the Financial Year	172.91	16.15
	Cash and Cash Equivalents at the end of the Financial Year	**6.09**	**172.91**
	Reconciliation of Cash and Cash Equivalents		
	Balances with Banks:		
	In Current Accounts	5.88	0.00
	In Cash Credit Accounts	-	19.83
	Deposits with banks with maturity less than 3 months	-	153.00
	Cash on Hand	0.21	0.08
	Total Cash and Cash Equivalents as per note 12.	**6.09**	**172.91**

Notes:

1. The Standalone Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.
2. Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 'Cash Flow Statement' is presented under note 39.7.

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Maulik Mehta
Executive Director & CEO
DIN: 05227290

Dileep Choksi
Director
DIN: 00016322

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Arvind Bajpai
Company Secretary
Membership No.: F6713

Vadodara: May 28, 2025

Standalone Statement of Changes in Equity

for the Year ended March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

(A) EQUITY SHARE CAPITAL (REFER NOTE 16)

₹ in Crores

	Amount
As at April 01, 2023	**27.28**
Changes in Equity Share Capital during the year	-
As at March 31, 2024	**27.28**
Changes in Equity Share Capital during the year	-
As at March 31, 2025	**27.28**

(B) OTHER EQUITY (REFER NOTE 17)

₹ in Crores

	Reserves and Surplus					Other Comprehensive Income	Total
	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	Securities Premium	Equity instruments through other comprehensive income	
Balance as at April 01, 2023	**2,063.41**	**0.71**	**98.90**	**0.15**	**434.17**	**0.44**	**2,597.78**
Profit for the year	433.43	-	-	-	-	-	433.43
Other Comprehensive income (net of taxes)	(1.78)	-	-	-	-	0.12	(1.66)
Dividend paid	(102.29)	-	-	-	-	-	(102.29)
Balance as at March 31, 2024	**2,392.77**	**0.71**	**98.90**	**0.15**	**434.17**	**0.56**	**2,927.26**
Profit for the year	276.43	-	-	-	-	-	276.43
Other Comprehensive income (net of taxes)	(2.42)	-	-	-	-	0.22	(2.20)
Dividend paid	(102.29)	-	-	-	-	-	(102.29)
Balance as at March 31, 2025	**2,564.48**	**0.71**	**98.90**	**0.15**	**434.17**	**0.78**	**3,099.20**

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
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DIN: 01776546

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Arvind Bajpai
Company Secretary
Membership No.: F6713

Vadodara: May 28, 2025

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

COMPANY OVERVIEW

Deepak Nitrite Limited ('DNL' or 'the Company') is a prominent chemical manufacturing public limited company incorporated and domiciled in India. Its registered office is located at 2nd Floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara – 390 003, Gujarat, India and its manufacturing facilities are located in the states of Gujarat, Maharashtra and Telangana.

The Company manufactures Advanced Intermediates.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2024. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

On May 9, 2025, MCA notified the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

1. Material Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The Standalone Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Standalone Financial Statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

(a) Certain financial assets and financial liabilities measured at fair value

(b) Derivative Financial instruments

(c) Defined benefit plan – plan assets measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. For fair value measurement and/or disclosure purposes in the standalone financial statements, the basis of measurement is generally fair value, except for leasing transactions covered under Ind AS 116, and certain measurements that resemble fair value but are not, such as net realizable value under Ind AS 2 or value in use under Ind AS 36.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(ii) Functional and Presentation Currency

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Standalone Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

(iii) Use of estimates

Preparation of the Standalone Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Useful lives and residual value of property, plant and equipment: The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (refer note 1(j) below).

Allowance for expected credit losses: The expected credit allowance is based on the ageing of the days receivables which are past due and the rates derived based on past history of defaults in the provision matrix. (Refer Note 39.5)

Fair value of investments: The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected statement of profit and loss by those investee companies. Hence, the valuation exercise carried out by the Company with the help of an independent valuer has estimated fair value at each reporting period based on available historical annual reports and other information in the public domain. (Refer Note 39.1)

Income taxes : Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. (Refer Note 36)

(b) Current versus non-current classification

Assets and liabilities are classified as Current or Non-Current as per the provisions of the Schedule III notified under the Companies Act, and the Company's normal operating cycle.

An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle;

(ii) Held primarily for the purpose of trading;

(iii) Expected to be realised within twelve months after the reporting period, or

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of business and its activities, the Company has ascertained its operating cycle as twelve months for the purpose of Current & Non-Current classification of assets and liabilities.

(c) Revenue Recognition

Sale of Goods:

Revenue from the sale of goods is only recognized – net of Goods & Service Tax, trade discounts and rebates – if the following conditions are met:

- The control of the goods have been transferred to the buyer.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from Services is recognised in the accounting period in which the services are rendered.

Interest Income:

Interest income from Financial Assets is recognised when it is probable that the economic benefits will flow to the company and the amount of income is measured reliably. Interest income is accrued on time basis, by reference to the principle outstanding and using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

Revenue in respect of other income is recognised to the extent that the Company is reasonably certain of its ultimate realisation.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(d) Leases

As a Lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates.

As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(e) Foreign Currency Transactions

In preparing the standalone financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Standalone Statement of Profit and Loss in the period in which they arise.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs.

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and option contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Standalone Statement of Profit and Loss immediately.

(f) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(g) Government Grants

(i) Grants from the Government are not recognised until there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

(ii) Government grants relating to the purchase of property, plant and equipment are deducted from the cost of the machinery and is amortized over its useful life.

(iii) Government grants relating to income are recognised in the Standalone Statement of Profit and Loss on a Systematic basis over the period necessary to match them with the costs that they are intended to compensate or when the performance obligations are met.

(h) Employee Benefits

(i) Retirement Benefit Costs and Termination Benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans in respect of an approved gratuity plan, the cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each reporting period.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income is reflected in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Standalone Statement of Profit and Loss.

Past service cost is recognised in Standalone Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and curtailments and settlements);
- net interest expense or income; and
- remeasurement

The first two components of defined benefit costs are recognised in the Standalone Statement of Profit and Loss in the line item 'Employee benefits expense'. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

(ii) Short-Term and Other Long-Term Employee Benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the Present value of the estimated future cash outflows expected to be made in respect of services provided by employees up to the reporting date.

(iii) Compensated Absence and Earned Leaves

The Company's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the Standalone Statement of Profit and Loss in the period in which they arise.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(i) Income Taxes

The income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The 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. 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 realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in the Standalone 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.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profits.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred 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 tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date 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 utilise those temporary differences and losses.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. 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.

(j) Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services are stated at cost less accumulated depreciation and accumulated impairment losses if any.

Subsequent costs are included in the carrying amount of asset or recognised 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 expenses are charged to the Standalone Statement of Profit and Loss during the period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-in-Progress'.

Depreciation Methods, Estimated Useful Lives and Residual Value:

Depreciation on all tangible assets is provided at the rates and in the manner prescribed by Schedule II to the Companies Act, 2013 and certain components of plant & equipment such as Reactors, Centrifuge, Cooling towers, Air Compressor etc. which are depreciated over its useful life as technically assessed by Independent/ Internal Technical Personnel after taking into consideration past experience of the company, chemical process & chemical industry norms.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

Asset Category	Estimated Useful Life
Building	30 years
Plant & Equipment	3 to 40 years
Furniture & Fixture	10 years
Vehicle	8 years
Office Equipment	5 years
Road	5 years

Freehold land is stated at historical cost and is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

In respect of depreciable assets for which Impairment Loss is recognised, depreciation/amortisation is charged on the revised carrying amount over the remaining useful life of the assets computed on the basis of the life prescribed in schedule II to the Companies Act, 2013.

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

Assets held for disposal are classified as Current Assets at lower of its carrying amount and fair value less costs to sell, difference being recognised in the Standalone Statement of Profit and Loss.

(k) Intangible Assets

Intangible assets are stated at their original cost of acquisition, less accumulated amortisation and impairment losses, if any. An Intangible Asset is recognised, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured.

The cost of intangible assets is amortised over the estimated useful life, in any case, not exceeding ten years, on a straight-line basis. A detail of estimated useful life is given below:

Asset Category	Estimated Useful Life
Computer Software and related implementation costs	6 years
Rights to use facilities	5 years
Technical Know How	10 years

(l) Impairment of Tangible and Intangible Assets

The carrying amount of cash generating units/assets is reviewed at the Balance Sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the fair value less cost of disposal or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. Impairment loss, if any, is recognised whenever carrying amount exceeds the recoverable amount. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(m) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term deposits (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(n) Inventories

Raw materials and components, stores and spares are valued at cost determined on period-moving weighted average basis and are net of Cenvat, VAT & GST. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and equipment gets classified as inventory.

Finished Goods and Work-in-progress are valued at cost of purchase of raw materials and conversion thereof, including the cost incurred in the normal course of business in bringing the inventories up to the present condition or at the net realisable value, whichever is lower. The inventories of joint products are valued by allocating the costs to the joint products by 'Relative Sales Value' method. By-products are valued at net realisable value.

(o) Financial Instruments

Financial Assets and Financial Liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial Assets and Financial Liabilities are initially measured at Fair Value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Standalone Statement of Profit and Loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income(except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Standalone Statement of Profit and Loss and is included in the "Other Income" line item.

(iii) Investments in Equity Instruments

On initial recognition, the company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

The cumulative gain or loss is not reclassified to Profit or Loss on disposal of the investments.

Investments in subsidiary companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Dividends on these investments in equity instruments are recognised in Standalone Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent recovery of a part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Standalone Statement of Profit and Loss are included in the 'Other income' line item.

(iv) Financial Assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Standalone Statement of Profit and Loss. The net gain or loss recognised in Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the Other income or Other Expenses line item. Dividend on financial assets at FVTPL is recognised when the company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to

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forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(v) Impairment of Financial Assets

The Company recognises a loss allowance for Expected Credit Losses (ECL) on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

(vi) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Standalone Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Standalone Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Standalone Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Standalone Statement of Profit and Loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part it continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(vii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Standalone Statement of Profit and Loss.

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forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange difference on amortised cost are recognised in Standalone Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(p) Financial Liabilities and equity instruments

(i) Classification as Debt and Equity

Debt and Equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity Instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

a) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

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forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Standalone Statement of Profit and Loss. The net gain or loss recognised in Standalone Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' or 'Other Expenses' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Standalone Statement of Profit and Loss.

b) Financial Liabilities subsequently measured at Amortised Cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of cost of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' or 'Other expenses'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses.

d) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability and the consideration paid and payable is recognised in Standalone Statement of Profit and Loss.

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(q) 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(r) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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 the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised but disclosed in the standalone financial statements when an inflow of economic benefits is probable.

(s) Research and Development Expenditure

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

(t) Earnings Per Share

Basic Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Diluted Earnings per Equity Share are computed by dividing net income by the weighted average number of Equity Shares adjusted for the effects of all dilutive potential Equity Shares. Earnings considered in ascertaining the EPS is the net profit for the period after attributable tax thereto for the period.

(u) Segment Reporting - Basis of Information

In accordance with Ind AS 108 -Operating Segments, the Company has disclosed the segment information at consolidated level and accordingly no separate disclosure on segment information is given at standalone financial results level.

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forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

2. PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

	Freehold Land	Leasehold Land	Building	Plant and Equipment	Furniture and Fixture	Vehicle	Office Equipment	Road	Total	Capital Work-in-Progress
Gross Carrying Amount as at April 01, 2023	**24.10**	**36.13**	**150.96**	**866.20**	**9.17**	**14.50**	**4.52**	**3.79**	**1,109.37**	**77.03**
Additions during the year 2023-24	-	18.41	45.93	126.10	5.61	3.87	1.69	0.03	201.64	221.55
Deductions during the year 2023-24	-	-	(5.86)	(7.16)	(3.23)	(4.83)	(0.52)	-	(21.60)	(172.97)
Gross Carrying Amount as at March 31, 2024	**24.10**	**54.54**	**191.03**	**985.14**	**11.55**	**13.54**	**5.69**	**3.82**	**1,289.41**	**125.61**
Additions during the year 2024-25	-	-	9.32	146.97	5.93	2.53	0.80	0.29	165.84	211.01
Deductions during the year 2024-25	-	(2.80)	(2.46)	(0.88)	(0.05)	(2.46)	-	(0.02)	(8.67)	(166.20)
Gross Carrying Amount as at March 31, 2025	**24.10**	**51.74**	**197.89**	**1,131.23**	**17.43**	**13.61**	**6.49**	**4.09**	**1,446.58**	**170.42**
Depreciation | Amortisation as at April 01, 2023	**-**	**2.19**	**41.18**	**321.04**	**5.58**	**6.66**	**3.53**	**3.09**	**383.27**	**-**
Depreciation for the year 2023-24	-	0.74	8.70	73.28	1.14	1.45	0.49	0.09	85.89	-
Depreciation on disposal during the year 2023-24	-	-	(2.65)	(4.27)	(2.19)	(2.79)	(0.49)	-	(12.38)	-
Depreciation | Amortisation as at March 31, 2024	**-**	**2.93**	**47.23**	**390.05**	**4.53**	**5.32**	**3.53**	**3.18**	**456.78**	**-**
Depreciation for the year 2024-25	-	0.76	10.69	83.20	2.17	1.47	0.71	0.13	99.13	-
Depreciation on disposal during the year 2024-25	-	(0.30)	(2.12)	(0.64)	(0.02)	(1.63)	(0.03)	-	(4.74)	-
Depreciation | Amortisation as at March 31, 2025	**-**	**3.39**	**55.80**	**472.61**	**6.68**	**5.16**	**4.21**	**3.31**	**551.17**	**-**
Net Carrying Amount as at March 31, 2024	**24.10**	**51.61**	**143.80**	**595.09**	**7.02**	**8.22**	**2.16**	**0.63**	**832.63**	**125.61**
Net Carrying Amount as at March 31, 2025	**24.10**	**48.35**	**142.09**	**658.62**	**10.75**	**8.45**	**2.28**	**0.78**	**895.41**	**170.42**

Notes:

1 Capital work-in-progress mainly comprises addition/expansion projects in progress.

The following table provides CWIP Ageing Schedule as at March 31, 2025

₹ in Crores

	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	139.67	29.55	0.29	0.91	170.42

The following table provides CWIP Ageing Schedule as at March 31, 2024

₹ in Crores

	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	120.72	3.60	0.45	0.84	125.61

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

2 Right -to-use assets included in Property, Plant and Equipment & Intangible Assets

₹ in Crores

	Building	Plant and Equipment	Furniture	Vehicle	Total
Gross Carrying Amount as at April 01, 2023	**11.18**	**1.39**	**1.75**	**4.53**	**18.85**
Additions during the year 2023-24	25.53	-	4.46	-	29.99
Deductions during the year 2023-24	(5.51)	(1.39)	(1.75)	(4.53)	(13.18)
Gross Carrying Amount as at March 31, 2024	**31.20**	**-**	**4.46**	**-**	**35.66**
Additions during the year 2024-25	-	-	-	-	-
Deductions during the year 2024-25	-	-	-	-	-
Gross Carrying Amount as at March 31, 2025	**31.20**	**-**	**4.46**	**-**	**35.66**
Depreciation | Amortisation as at April 01, 2023	**5.44**	**1.39**	**0.68**	**2.37**	**9.88**
Depreciation for the year 2023-24	1.09	-	0.49	0.18	1.76
Depreciation on disposal during the year 2023-24	(2.46)	(1.39)	(0.80)	(2.55)	(7.20)
Depreciation | Amortisation as at March 31, 2024	**4.07**	**-**	**0.37**	**-**	**4.44**
Depreciation for the year 2024-25	1.64	-	0.89	-	2.53
Depreciation on disposal during the year 2024-25	-	-	-	-	-
Depreciation | Amortisation as at March 31, 2025	**5.71**	**-**	**1.27**	**-**	**6.97**
Net Carrying Amount as at March 31, 2024	**27.13**	**-**	**4.09**	**-**	**31.22**
Net Carrying Amount as at March 31, 2025	**25.49**	**-**	**3.20**	**-**	**28.69**

3 Research & Development Assets included in Property, Plant and Equipment & Intangible Assets

₹ in Crores

	Owned assets							
	Land	Building	Plant and Equipment	Furniture and Fixture	Vehicle	Office Equipment	Computer Software	Total
Gross Carrying Amount as at April 01, 2023	**11.12**	**0.92**	**28.20**	**1.93**	**0.08**	**0.33**	**0.38**	**42.95**
Additions during the year 2023-24	-	0.31	8.50	0.23	-	0.09	-	9.13
Deductions during the year 2023-24	-	-	(0.05)	-	-	-	-	(0.05)
Gross Carrying Amount as at March 31, 2024	**11.12**	**1.23**	**36.65**	**2.15**	**0.08**	**0.42**	**0.38**	**52.03**
Additions during the year 2024-25	-	0.02	0.59	-	0.11	0.00	0.00	0.73
Deductions during the year 2024-25	(0.38)	-	(1.45)	(0.24)	-	(0.00)	(0.00)	(2.08)
Gross Carrying Amount as at March 31, 2025	**10.74**	**1.25**	**35.79**	**1.91**	**0.19**	**0.42**	**0.38**	**50.68**
Depreciation | Amortisation as at April 01, 2023	**-**	**0.38**	**8.90**	**0.92**	**0.02**	**0.23**	**0.24**	**10.69**
Depreciation for the year 2023-24	-	0.05	2.70	0.18	0.01	0.03	0.06	3.03
Depreciation on disposal during the year 2023-24	-	-	(0.27)	-	-	(0.00)	-	(0.28)
Depreciation | Amortisation as at March 31, 2024	**-**	**0.43**	**11.33**	**1.10**	**0.03**	**0.26**	**0.30**	**13.45**
Depreciation for the year 2024-25	0.15	0.06	3.83	0.18	0.02	0.05	0.03	4.32
Depreciation/adjustment on disposal during the year 2024-25	-	(0.70)	(0.44)	-	-	(0.00)	(0.00)	(1.14)
Depreciation | Amortisation as at March 31, 2025	**0.15**	**(0.21)**	**14.72**	**1.28**	**0.05**	**0.31**	**0.33**	**16.63**
Net Carrying Amount as at March 31, 2024	**11.12**	**0.80**	**25.32**	**1.05**	**0.05**	**0.15**	**0.09**	**38.58**
Net Carrying Amount as at March 31, 2025	**10.59**	**1.46**	**21.07**	**0.63**	**0.14**	**0.11**	**0.05**	**34.05**

4 Working Capital borrowings are secured by way of first Hypothecation charge over Company's Raw Materials, Semi-Finished and Finished Goods, Consumable Stores and Book Debts and second charge on all Property, Plant and Equipment by way of hypothecation and mortgage (Refer note 20).

Notes

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5 Building includes ₹ 10.80 Crores (₹ 10.80 Crores at March 31, 2024) in respect of ownership of premises in a co-operative housing society by way of 10 Shares.

6 There are no projects which are temporary suspended.

3. INTANGIBLE ASSETS

₹ in Crores

	Computer Software	Others	Total
Gross Carrying Amount as at April 01, 2023	**7.57**	**3.47**	**11.04**
Additions during the year 2023-24	1.32	-	1.32
Deductions during the year 2023-24	(0.13)	-	(0.13)
Gross Carrying Amount as at March 31, 2024	**8.76**	**3.47**	**12.23**
Additions during the year 2024-25	0.65	-	0.65
Deductions during the year 2024-25	(0.00)	-	(0.00)
Gross Carrying Amount as at March 31, 2025	**9.41**	**3.47**	**12.88**
Depreciation | Amortisation as at April 01, 2023	**6.00**	**2.81**	**8.81**
Depreciation for the year 2023-24	0.62	0.27	0.89
Depreciation on disposal during the year 2023-24	(0.13)	-	(0.13)
Depreciation | Amortisation as at March 31, 2024	**6.49**	**3.08**	**9.57**
Depreciation for the year 2024-25	0.72	0.05	0.76
Depreciation on disposal during the year 2024-25	(0.00)	-	(0.00)
Depreciation | Amortisation as at March 31, 2025	**7.21**	**3.13**	**10.33**
Net Carrying Amount as at March 31, 2024	**2.27**	**0.39**	**2.66**
Net Carrying Amount as at March 31, 2025	**2.20**	**0.34**	**2.55**

4. NON-CURRENT INVESTMENTS

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Investments in Equity Instruments of subsidiary companies measured at cost	857.38	812.22
(b)	Investments in Non- Cumulative Optionally Convertible Redeemable Preference Shares of subsidiary companies measured at cost	423.50	40.00
Sub-Total		**1,280.88**	**852.22**
(a)	Investments in Equity Instruments of other companies measured at Fair Value Through Profit or Loss (FVTPL)	0.12	0.14
(b)	Investments in Equity Instruments of other companies measured at Fair Value Through Other Comprehensive Income (FVTOCI)	2.86	2.55
(c)	Investments in Government or Trust Securities measured at amortised cost (Refer Note (c) below)	0.00	0.00
Sub-Total		**2.98**	**2.69**
Total		**1,283.86**	**854.91**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

4. NON-CURRENT INVESTMENTS (Continued)

₹ in Crores

			Face Value	As at Mar 31, 2025		As at Mar 31, 2024	
				No. of shares	Amount	No. of shares	Amount
(a)	**Investment in Equity Instruments (fully paid-up)**						
	(i)	**Subsidiary Companies measured at cost (Unquoted)**					
		In Indian subsidiary company measured at cost					
		Deepak Phenolics Limited	₹ 10/-	28,00,00,000	280.00	28,00,00,000	280.00
		Deepak Chem Tech Limited (Refer note 1 below)	₹ 10/-	49,95,00,000	499.50	49,95,00,000	499.50
		Deepak PMC Ltd (Refer note 2 below)	₹ 10/-	50,00,000	5.00	50,00,000	5.00
		Deepak Advanced Materials Limited (Refer note 3 below)	₹ 10/-	3,45,09,940	34.51	-	-
		In Foreign subsidiary company measured at cost					
		Deepak Nitrite Corporation, Inc.	US $ 10/-	7,500	0.48	7,500	0.48
		Deepak Oman Industries (SFZ) LLC (Refer note 4 below)	OMR 1/- (Omani Rial)	17,56,743	37.88	12,65,824	27.24
	(ii)	**Other Companies measured at FVTPL**					
		Quoted					
		IDBI Bank	₹ 10/-	6,240	0.05	6,240	0.05
		Bank of Baroda	₹ 2/-	3,234	0.07	3,234	0.09
		Unquoted					
		Nandesari Environment Control Limited (represents ₹ 8,000)	₹ 10/-	800	0.00	800	0.00
		Baroda Co-operative Bank Limited (represents ₹ 500)	₹ 50/-	10	0.00	10	0.00
		Shamrao Vitthal Co-op Bank Limited	₹ 25/-	2,000	0.01	2,000	0.01
		New India Co-op Bank Limited (represents ₹ 7,980)	₹ 10/-	798	0.00	798	0.00
	(iii)	**Other Companies measured at FVOCI**					
		Unquoted					
		Jedimetla Effluent Treatment Limited	₹ 100/-	52,342	1.04	52,342	0.80
		Deepak International Limited	GBP 1/-	73,706	0.82	73,706	0.77
		Deepak Gulf LLC	Omani Rial 1/-	45,000	1.00	45,000	0.97
(b)	**Investment in Preference Shares(fully paid-up)**						
	Subsidiary Company measured at cost						
	Unquoted						
		Deepak Chem Tech Limited					
		9% Non- Cumulative Optionally Convertible Redeemable Preference Shares (Refer note 4 below)	₹ 100/-	4,23,50,000	423.50	40,00,000	40.00
(c)	**Investments in Government or Trust Securities measured at amortised cost**						
		Unquoted					
		National Savings Certificate (represents ₹ 1,000)			0.00		0.00
Total				**86,33,08,313**	**1,283.86**	**78,99,57,454**	**854.91**

1. During the previous year, the company has converted "0.01% Compulsory Convertible Debentures" amounting to ₹ 499.50 Crores of Deepak Chem Tech Limited (Wholly Owned Subsidiary of the Company), into fully paid equity shares in ratio of 1:1.

2. Deepak PMC Limited ("DPMC"), a Wholly Owned Subsidiary of the Company, has been incorporated on December 02, 2023.

Notes

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3. On August 9, 2024, the Company has acquired 100% equity stake in Deepak Advanced Materials Limited (formerly known as OXOC Chemicals Limited) (10,000 equity shares of ₹ 10/- each) for a consideration of ₹ 1,00,000.

   The Company further, invested an amount of ₹ 34.50 Crores by subscribing to 3,45,00,000 equity shares of ₹ 10/- each.

4. On August 11, 2023, Deepak Nitrite Limited acquired 31.72% equity stake in Deepak Oman Industries (SFZ) LLC (DOIL) by subscribing to 7,70,000 equity shares of OMR 1 each for the consideration of ₹ 16.55 Crores. Further, on March 20, 2024, Deepak Nitrite Limited acquired, through acquisition as well as by way of subscription, additional 19.28% equity stake in DOIL i.e. 4,95,824 equity shares of OMR 1 each for the consideration of ₹ 10.69 Crores. Cumulative holding as on March 31, 2024 was 51%.

   Furthermore, on June 10, 2024, Deepak Nitrite Limited subscribed to additional 4,90,919 equity shares of OMR 1 each for the consideration of ₹ 10.64 Crores. Cumulative holding as on March 31, 2025 is 51%.

   DOIL was treated as an Associate up to March 19, 2024 and Subsidiary thereafter during the year ended March 31, 2024 and March 31, 2025.

5. During the year, the company has further subscribed to 3,83,50,000 "9% Non- Cumulative Optionally Convertible Redeemable Preference Shares" of ₹ 100 each amounting to ₹ 383.50 Crores of Deepak Chem Tech Limited (Wholly Owned Subsidiary of the Company).

6.

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Aggregate amount of Unquoted Investments	1,283.74	854.77
(b)	Aggregate amount of Quoted Investments	0.12	0.14

5. LOANS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Non-current		
Loans to Employees		
Unsecured, considered good	1.35	1.54
Total-Non-Current	**1.35**	**1.54**
Current		
Loans to Employees		
Unsecured, considered good	1.34	0.80
Loan to Subsidiary (Refer note 34)	8.90	169.98
Total Current	**10.24**	**170.78**

6. OTHER NON-CURRENT FINANCIAL ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Security Deposits		
Unsecured, considered good	7.48	3.72
Total	**7.48**	**3.72**

7. NON-CURRENT TAX ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Non-Current Tax Assets		
Advance Income Tax (Net of provisions)	0.13	0.88
Total	**0.13**	**0.88**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

8. OTHER NON-CURRENT ASSETS

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Capital Advances	6.95	7.08
(b)	Prepaid Expenses	2.47	0.35
(c)	Advance against Salary	1.21	1.28
Total		**10.63**	**8.71**

9. INVENTORIES [AT LOWER OF COST AND NET REALISABLE VALUE]

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Raw materials and components	115.71	80.45
	Goods-in-transit	29.05	47.04
		144.76	**127.49**
(b)	Stores and Spares	28.58	26.42
	Sub-Total	**173.34**	**153.91**
(c)	Work-in-progress	41.08	53.85
(d)	Finished goods	240.05	173.64
	Provision for obsolescence	(2.30)	(0.83)
(e)	Stock in Trade	0.17	-
	Sub-Total	**279.00**	**226.66**
Total		**452.34**	**380.57**

Refer note 20 for hypothecation and mortgage created on assets of the company.

10. CURRENT INVESTMENTS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Investments measured at FVTPL (Quoted)		
Investments in Mutual Funds	88.59	90.08
Total	**88.59**	**90.08**

11. TRADE RECEIVABLES

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good			
(i)	Trade Receivables - Others	606.77	615.94
(ii)	Related Parties (Refer Note 34.18)	17.32	4.74
Allowance for credit losses (Refer Note 39.5)		(11.16)	(6.42)
Total		**612.93**	**614.26**

The credit period on sales of goods varies with business segments/ markets and generally ranges between 30 to 180 days. For financial risk and ageing schedule related to Trade Receivables refer note 39.5 and 39.6

There is no amount due from directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

Refer note 20 for hypothecation and mortgage created on assets of the company.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

12. CASH AND CASH EQUIVALENTS

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Cash on hand	0.21	0.08
(b)	Balances with banks		
	In Current accounts	5.88	0.00
	In Cash Credit Accounts	-	19.83
(c)	Deposits with banks with maturity less than 3 months	-	153.00
Total		**6.09**	**172.91**

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Earmarked Balances with Bank	1.76	1.67
(b)	Margin Money Deposits	0.21	0.20
Total		**1.97**	**1.87**

14. OTHER CURRENT FINANCIAL ASSET

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
Unsecured, considered good			
(a)	Interest Receivable	0.40	0.17
(b)	Insurance Claim Receivable (Refer Note 48)	-	54.90
(c)	Security Deposits	1.24	4.24
(d)	Earnest Money	0.40	0.18
(e)	Others	8.40	-
Total		**10.44**	**59.49**

15. OTHER CURRENT ASSETS

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
Unsecured, considered good			
(a)	Balance with Government Authorities	38.22	29.14
(b)	Prepaid Expenses	0.61	2.92
(c)	Advances to Suppliers	23.97	17.94
(d)	Other Receivables	0.24	0.39
Total		**63.04**	**50.39**

Notes

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16. EQUITY SHARE CAPITAL

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Authorised:		
15,00,00,000 Equity shares of ₹ 2 each	30.00	30.00
20,00,000 Preference shares of ₹ 100 each	20.00	20.00
Total	**50.00**	**50.00**
Issued, Subscribed and fully paid up:		
13,63,93,041 Equity shares of ₹ 2 each	27.28	27.28
Total	**27.28**	**27.28**

(a) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity Shares				
Shares outstanding at the beginning of the year	13,63,93,041	27.28	13,63,93,041	27.28
Shares outstanding at the end of the year	13,63,93,041	27.28	13,63,93,041	27.28

(b) Shares: Terms/Rights

(i) The Company has Authorised capital of Equity and Preference shares.

(ii) Each holder of the Equity Share is entitled to one vote per Share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

(iii) In the event of liquidation of the Company, the holders of Equity Shares shall 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. No preferential amounts exist as on the Balance Sheet date.

(c) Details of shares held by each shareholder holding more than 5% Equity shares of ₹ 2 each fully paid in the Company :

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Shri Deepak Chimanlal Mehta	2,25,35,241	16.52	2,25,35,241	16.52
Stiffen Credits & Capital Pvt. Limited	84,37,840	6.19	84,37,840	6.19
Checkpoint Credits & Capital Pvt. Limited	72,06,050	5.28	72,06,050	5.28
Stepup Credits & Capital Pvt. Limited	69,15,580	5.07	69,15,580	5.07

(d) Details of shares held by Promoters

Promoter Name	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Shri Deepak Chimanlal Mehta	2,25,35,241	16.52	2,25,35,241	16.52	0.00%
Shri Maulik D. Mehta	1,31,300	0.10	1,31,300	0.10	0.00%

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

17. OTHER EQUITY

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
Reserves & Surplus			
(a)	Retained Earnings	2,564.48	2,392.77
(b)	General Reserve	98.90	98.90
(c)	Capital Reserve	0.71	0.71
(d)	Capital Redemption Reserve	0.15	0.15
(e)	Securities Premium	434.17	434.17
Reserves Representing Unrealised Gains/(Losses)			
(f)	Equity Instruments through Other Comprehensive Income	0.78	0.56
Total		**3,099.20**	**2,927.26**

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	**Retained Earnings**		
	Balance at beginning of year	2,392.77	2,063.41
	Add: Profit for the year	276.43	433.43
	Add: Remeasurement of Defined Benefit Obligation (Net of tax)	(2.42)	(1.78)
	Less: Payment of Dividend on Equity Shares	102.29	102.29
	Balance at end of year	**2,564.48**	**2,392.77**
	Retained earnings represents the Company's undistributed earnings after taxes.		
(b)	**General Reserve**		
	Balance at beginning of year	98.90	98.90
	Add: Transferred from Retained Earnings	-	-
	Balance at end of year	**98.90**	**98.90**
	The general reserve is used for purposes as specified under the Companies Act, 2013. Items included in the general reserve will not be reclassified subsequently to the standalone statement of profit and loss as the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.		
(c)	**Capital Reserve**		
	Balance at beginning of year	0.71	0.71
	Balance at end of year	**0.71**	**0.71**
(d)	**Capital Redemption Reserve**		
	Balance at beginning of year	0.15	0.15
	Balance at end of year	**0.15**	**0.15**
	Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on redemption of the debentures. The Company has redeemed the underlying debentures in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.		
(e)	**Securities Premium**		
	Balance at beginning of year	434.17	434.17
	Balance at end of year	**434.17**	**434.17**
	Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium is governed by the Section 52 of the Companies Act, 2013.		

Notes

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₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(f)	**Reserve for equity instruments through other comprehensive income**		
	Balance at beginning of year	0.56	0.44
	Add: Gain / (Loss) on revaluation of Equity Instruments (Net of tax)	0.22	0.12
	Balance at end of year	**0.78**	**0.56**
	This reserve represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.		

18. PROVISIONS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Non-current		
Provision for Employee Benefit Obligations		
Provision for Leave Benefits (Refer Note 37 (B))	32.23	29.02
Total-Non-Current	**32.23**	**29.02**
Current		
Provision for Employee Benefit Obligations		
Provision for Leave Benefits (Refer Note 37 (B))	10.08	7.91
Provision for Gratuity (Refer Note 36 (A)(iii))	6.60	8.73
Total-Current	**16.68**	**16.64**

19. DEFERRED TAX LIABILITIES (NET)

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	**Break up of deferred tax liability as at year end:**		
	Nature of temporary difference		
	Property, Plant and Equipment	66.45	62.97
	Unrealised Gain on Investments	0.53	0.02
	Total Deferred Tax Liability (a)	**66.98**	**62.99**
(b)	**Break up of deferred tax asset as at year end:**		
	Nature of temporary difference		
	Disallowances u/s 43B, Provisions and Others	16.68	14.06
	Total Deferred Tax Asset (b)	**16.68**	**14.06**
	Deferred Tax Liabilities (Net) (a-b)	**50.30**	**48.93**

Refer note 36C for movement in Deferred Tax Assets and Liabilities.

20. CURRENT BORROWINGS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Working Capital Borrowings from Banks		
Secured	18.87	-
Total	**18.87**	**-**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

(i) Working Capital borrowings from banks represent Cash Credit and Working Capital Demand Loan with rate of interest as MCLR of respective banks plus spread ranging from 0% to 1.25% p.a. These borrowings are repayable on demand.

(ii) Working Capital borrowings are secured by way of first Hypothecation charge over Company's Raw Materials, Semi-Finished & Finished Goods, Consumable Stores & Spares and Book Debts (present & future) and second charge on all Property, Plant and Equipment by way of hypothecation and mortgage. The assets stated herein are disclosed under note 2, 9 and 11.

21. TRADE PAYABLES

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
(a) To outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 45)	49.51	24.85
(b) To outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	246.42	214.51
Total	**295.93**	**239.36**

The average credit period on goods purchased or services received ranges between 30 days to 180 days. For ageing schedule related to Trade Payables refer note 39.5

22. OTHER CURRENT FINANCIAL LIABILITIES

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
(a) Security Deposits	5.79	5.81
(b) Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid Dividend	1.76	1.67
(c) Payable for capital expenditure	9.89	9.45
(d) Accrued Employee Benefit Expense	15.99	11.87
(e) Others	-	0.77
Total	**33.43**	**29.57**

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

23. OTHER CURRENT LIABILITIES

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
(a) Advances received from Customers	4.17	7.57
(b) Statutory Dues	6.54	5.96
Total	**10.71**	**13.53**

24. CURRENT TAX LIABILITIES

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Current Tax Liabilities		
Provision for Tax (Net of Advances)	1.98	7.39
Total	**1.98**	**7.39**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

25. REVENUE FROM OPERATIONS

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Sale of Products	2,502.53	2,690.60
(b)	Sale of Services	0.06	6.81
(c)	Other Operating Revenues		
	Export Incentives	20.09	19.09
	Scrap Sale	3.75	7.69
	Insurance Claims	0.04	0.16
Total		**2,526.47**	**2,724.35**

Reconciliation of sales of products

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contracts with customer	2,511.77	2,696.67
Adjustments made to contract price on account of discounts and rebates	9.24	6.07
	2,502.53	**2,690.60**

Refer Note 11 - Trade Receivables to the Standalone Financial Statements for the amount of contract assets outstanding as at March 31, 2025 and refer to details of Advance received from Customers in Note 23 - Other Current Liabilities to the Standalone Financial Statements for the contract liabilities outstanding as at March 31, 2025.

26. OTHER INCOME

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Cash Discount	4.14	3.63
(b)	Gain on redemption of Investments	19.22	23.22
(c)	Fair Value Gains on Financial Assets	2.10	0.14
(d)	Interest Income	8.00	8.63
(e)	Dividend Income (Refer Note 34.13)	98.00	75.60
(f)	Rent	1.61	1.34
(g)	Gain on sale of Property, Plant and Equipment (Refer Note below)	13.25	-
(h)	Gain on disposal of RTU assets	-	1.55
(i)	Writebacks and Other Recoveries	-	8.65
(j)	Other Non-Operating Revenue	2.87	0.94
Total		**149.19**	**123.70**

Note: ₹13.04 Crores pertains to profit on transfer of leasehold rights in respect of parcel of land along with building shed located at Dahej to Deepak Phenolics Limited, a Wholly Owned Subsidiary of the Company (Refer note 34.06).

27. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Cost of Raw Material and Components Consumed	1,420.46	1,429.98
(b)	Cost of Packing Material Consumed	40.20	46.15
Total		**1,460.66**	**1,476.13**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

28. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Work-in-Progress	53.85	68.57
Finished Goods	173.64	185.33
	227.49	**253.90**
Less:		
Inventories at the end of the year		
Work-in-Progress	41.08	53.85
Stock in Trade	0.17	-
Finished Goods	240.05	173.64
	281.30	**227.49**
Total	**(53.81)**	**26.41**

29. EMPLOYEE BENEFITS EXPENSE

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salaries & Wages	240.28	220.59
(b) Contribution to provident fund and other funds (Refer Note 37C)	16.48	14.52
(c) Gratuity Expenses (Refer Note 37A(iv))	4.32	3.83
(d) Staff Welfare Expenses	13.97	11.42
Total	**275.05**	**250.36**

30. POWER & FUEL EXPENSES

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Consumption of Power	101.74	95.86
(b) Consumption of Fuel and other utilities	127.63	126.91
Total	**229.37**	**222.77**

31. FINANCE COSTS

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest on Borrowings	0.71	0.84
(b) Interest cost on lease liabilities (Refer Note 42A)	3.07	1.25
Total	**3.78**	**2.09**

32. DEPRECIATION AND AMORTISATION EXPENSES

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Depreciation on Property, Plant and Equipment	96.54	84.13
(b) Depreciation on Right-of-use Assets	2.57	1.76
(c) Amortisation of Intangible Assets	0.76	0.89
Total	**99.87**	**86.79**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

33. OTHER EXPENSES

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Conversion Charges	15.98	13.84
(b)	Other Manufacturing Expenses	14.10	12.69
(c)	Rent	8.42	6.47
(d)	Repairs & Maintenance		
	Repairs to Building	1.31	1.06
	Repairs and Maintenance to Plant and Equipment	35.85	37.04
	Repairs and Maintenance to Others	1.00	1.42
(e)	Consumption of stores & spare parts	15.87	20.31
(f)	Insurance	22.40	22.62
(g)	Rates & Taxes	1.75	1.77
(h)	Bank Charges	1.69	2.26
(i)	Travelling & Conveyance	6.54	5.30
(j)	Freight & Forwarding Charges	105.29	101.79
(k)	Loss on Sale of Property, Plant and Equipment	-	0.06
(l)	Commission on sales	4.26	4.57
(m)	CSR Expenses (Refer Note 47)	11.94	12.45
(n)	Provision/(Reversal) for Doubtful Debts (Net)	4.74	-
(o)	Bad Debts written off	-	1.69
(p)	Vehicle Expenses	5.11	4.56
(q)	Legal & Professional Expenses	10.36	11.10
(r)	General Expenses	50.14	40.68
(s)	Payment to Auditor	0.84	0.82
(t)	Director's Sitting Fees	0.25	0.34
(u)	Other Directors Commission	1.35	1.85
(v)	Provision/(Reversal) for Inventory Obsolescence	1.47	-
(w)	Foreign Exchange Loss	2.37	0.35
Total		**323.03**	**305.04**

Note: Payment to Auditor

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	As Auditor:		
	Audit fees	0.48	0.48
	Tax Audit fees	0.04	0.04
	Quarterly Limited Review	0.27	0.27
(b)	In Other Capacity:		
	Taxation Matters	0.03	0.02
	Other Services (Certification fees)	0.02	0.01
Total		**0.84**	**0.82**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

34. RELATED PARTIES DISCLOSURES

A) Name of Related Party and nature of relationship

(i) Subsidiary Companies

Deepak Nitrite Corporation Inc., United States of America
Deepak Phenolics Limited
Deepak Chem Tech Limited
Deepak PMC Limited
Deepak Oman Industries (SFZ) LLC
Deepak Advanced Materials Limited (formerly known as OXOC Chemicals Limited)(w.e.f August 09, 2024)

(ii) Step-down Subsidiary Company

Narmada Thermal Power Private Limited (w.e.f June 01, 2024)

(iii) Key Management Personnel

Shri Deepak Mehta	Chairman & Managing Director
Shri Maulik Mehta	Executive Director & Chief Executive Officer
Shri Sanjay Upadhyay	Director Finance & Group CFO
Shri Girish Satarkar	Executive Director
Shri Somsekhar Nanda	Chief Financial Officer
Shri Ajay Mehta	Non-Executive Director
Shri Meghav Mehta	Non-Executive Director
Smt. Purvi Sheth	Independent Director
Shri Sanjay Asher	Independent Director
Shri Dileep Choksi	Independent Director
Shri Prakash Samudra	Independent Director
Shri Punit Lalbhai	Independent Director
Shri Vipul Shah	Independent Director

(iv) Entities over which key managerial personnel or their relatives are able to exercise control or significant Influence

Check Point Credits & Capital Private Limited * Deepak Cybit Private Limited * Deepak Fertilizers and Petrochemicals Corporation Limited * Deepak Gulf Industries LLC, Sultanate of Oman * Deepak Foundation * Deepak International Limited * Deepak Medical Foundation * Deepak Research and Development Foundation * Deepak Novochem Technologies Limited * Forex Leafin Private Limited * Hardik Leafin Private Limited * Mahadhan Agritech Limited * Performance Chemiserve Limited * Pranawa Leafin Private Limited * Skyrose Finvest Private Limited * Stepup Credits & Capital Private Limited * Stiffen Credits and Capital Private Limited * Stigma Credits & Capital Private Limited * Storewell Credits and Capital Private Limited * Sundown Finvest Private Limited

(v) Others (common directors)

Arvind Envisol Limited

(vi) Relative of Key Management Personnel

Late. Shri Chimanlal Mehta
Smt. Ila Mehta
Shri Prahaan Mehta
Shri Aadya Mehta
Shri Ahana Mehta
Shri Sahay Mehta

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

B) Transactions with the Related Parties

₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025					March 31, 2024				
		Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL	Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL
1	**Purchase of Goods**										
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	-	70.21	-	**70.21**	-	-	56.19	-	**56.19**
	Deepak Phenolics Limited	32.86	-	-	-	**32.86**	27.21	-	-	-	**27.21**
	Deepak Novochem Technologies Limited	-	-	0.05	-	**0.05**	-	-	0.05	-	**0.05**
	Deepak Chem Tech Limited	7.60	-	-	-	**7.60**	0.61	-	-	-	**0.61**
	Arvind Envisol Limited	-	-	2.09	-	**2.09**	-	-	1.36	-	**1.36**
	Performance Chemiserve Limited	-	-	23.77	-	**23.77**	-	-	21.75	-	**21.75**
	Mahadhan Agritech Limited	-	-	-	-	**-**	-	-	5.27	-	**5.27**
2	**Sale of Goods / Services**										
	Deepak Novochem Technologies Limited	-	-	27.66	-	**27.66**	-	-	21.87	-	**21.87**
	Deepak Phenolics Limited	1.21	-	-	-	**1.21**	-	-	-	-	**-**
	Deepak Chem Tech Limited	1.08	-	-	-	**1.08**	0.33	-	-	-	**0.33**
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	-	2.95	-	**2.95**	-	-	-	-	**-**
	Hyspec Chemicals Private Limited	-	-	0.02	-	**0.02**	-	-	-	-	**-**
3	**Conversion Charges Received**										
	Deepak Novochem Technologies Limited	-	-	-	-	**-**	-	-	6.81	-	**6.81**
4	**Sharing of Utilities**										
	Deepak Phenolics Limited	19.14	-	-	-	**19.14**	18.24	-	-	-	**18.24**
5	**Rendering of Services / Reimbursement of Expenses**										
	Deepak Novochem Technologies Limited	-	-	0.07	-	**0.07**	-	-	0.05	-	**0.05**
	Deepak Phenolics Limited	10.52	-	-	-	**10.52**	8.69	-	-	-	**8.69**
	Deepak Chem Tech Limited	19.56	-	-	-	**19.56**	15.15	-	-	-	**15.15**
	Deepak PMC Limited	0.10	-	-	-	**0.10**	0.08	-	-		**0.08**
	Deepak Foundation	-	-	-	-	**-**	-	-	0.04	-	**0.04**
	Deepak Advanced Materials Limited	0.04	-	-	-	**0.04**	-	-	-	-	**-**
	Deepak Oman Industries (SFZ) LLC	0.20	-	-	-	**0.20**	-	-	-	-	**-**
6	**Sale of Capital Asset**										
	Deepak Chem Tech Limited	-	-	-	-	**-**	1.52	-	-	-	**1.52**
	Deepak Phenolics Limited	15.56	-	-	-	**15.56**	-	-	-	-	**-**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025					March 31, 2024				
		Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL	Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL
7	**Receiving of services / Reimbursement of Expenses**										
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	-	0.16	-	**0.16**	-	-	0.37	-	**0.37**
	Deepak Phenolics Limited	0.09	-	-	-	**0.09**	-	-	-	-	**-**
	Deepak Foundation	-	-	0.04	-	**0.04**	-	-	0.00	-	**0.00**
	Deepak Medical Foundation	-	-	0.16	-	**0.16**	-	-	0.17	-	**0.17**
	Deepak Nitrite Corporation Inc.	0.13	-	-	-	**0.13**	0.16	-	-	-	**0.16**
	Deepak Cybit Private Limited	-	-	1.14	-	**1.14**	-	-	1.09	-	**1.09**
	Stepup Credits & Capital Private Limited	-	-	-	-	**-**	-	-	0.36	-	**0.36**
	Arvind Envisol Limited	-	-	-	-	**-**	-	-	0.11	-	**0.11**
	Smt. Ila Mehta	-	-	-	0.41	**0.41**	-	-	-	0.03	**0.03**
	Deepak Chem Tech Limited	0.18	-	-	-	**0.18**	0.03	-	-	-	**0.03**
	Deepak PMC Limited	0.12	-	-	-	**0.12**	-	-	-	-	**-**
8	**Managerial Remuneration**										
	Shri Deepak Mehta	-	8.60	-	-	**8.60**	-	7.53	-	-	**7.53**
	Shri Maulik Mehta	-	4.95	-	-	**4.95**	-	4.24	-	-	**4.24**
	Shri Sanjay Upadhyay	-	5.97	-	-	**5.97**	-	5.33	-	-	**5.33**
	Shri Girish Satarkar	-	2.43	-	-	**2.43**	-	1.45	-	-	**1.45**
	Shri Somsekhar Nanda	-	2.11	-	-	**2.11**	-	1.84	-	-	**1.84**
	Commission and Sitting fees to Non-Executive / Independent Directors	-	1.60	-	-	**1.60**	-	2.19	-	-	**2.19**
9	**Subscription of Investment**										
	Deepak Chem Tech Limited	383.50	-	-	-	**383.50**	134.50	-	-	-	**134.50**
	Deepak Oman Industries (SFZ) LLC*	10.64	-	-	-	**10.64**	27.24	-	-	-	**27.24**
	Deepak PMC Limited	-	-	-	-	**-**	5.00	-	-	-	**5.00**
	Deepak Advanced Materials Limited	34.51	-	-	-	**34.51**	-	-	-	-	**-**
10	**Loan Given**										
	Deepak Chem Tech Limited	5.00	-	-	-	**5.00**	328.00	-	-	-	**328.00**
	Deepak Advanced Materials Limited	8.90	-	-	-	**8.90**	-	-	-	-	**-**
11	**Repayment of Loan**										
	Deepak Chem Tech Limited	174.98	-	-	-	**174.98**	158.02	-	-	-	**158.02**
12	**Interest Received**										
	Deepak Chem Tech Limited	5.06	-	-	-	**5.06**	7.99	-	-	-	**7.99**
	Deepak Advanced Materials Limited	0.15	-	-	-	**0.15**	-	-	-	-	**-**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025					March 31, 2024				
		Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL	Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL
13	**Dividend Received**										
	Deepak Phenolics Limited	98.00	-	-	-	**98.00**	75.60	-	-	-	**75.60**
14	**Dividend Paid**										
	Checkpoint Credits & Capitals Private Limited	-	-	5.40	-	**5.40**	-	-	5.40	-	**5.40**
	Stigma Credits & Capital Private Limited	-	-	4.64	-	**4.64**	-	-	4.64	-	**4.64**
	Stiffen Credits & Capital Private Limited	-	-	6.33	-	**6.33**	-	-	6.33	-	**6.33**
	Stepup Credits & Capital Private Limited	-	-	5.19	-	**5.19**	-	-	5.19	-	**5.19**
	Skyrose Finvest Private Limited	-	-	2.87	-	**2.87**	-	-	2.87	-	**2.87**
	Pranawa Leafin Private Limited	-	-	1.73	-	**1.73**	-	-	1.73	-	**1.73**
	Forex Leafin Private Limited	-	-	1.63	-	**1.63**	-	-	1.63	-	**1.63**
	Sundown Finvest Private Limited	-	-	0.62	-	**0.62**	-	-	0.62	-	**0.62**
	Storewell Credits and Capital Private Limited	-	-	0.67	-	**0.67**	-	-	0.67	-	**0.67**
	Hardik Leafin Private Limited	-	-	0.26	-	**0.26**	-	-	0.26	-	**0.26**
	Deepak Novochem Technologies Limited	-	-	3.49	-	**3.49**	-	-	3.49	-	**3.49**
	Shri Deepak Mehta	-	16.90	-	-	**16.90**	-	16.39	-	-	**16.39**
	Late. Shri Chimanlal Mehta	-	-	-	-	**-**	-	-	-	0.53	**0.53**
	Shri Maulik Mehta	-	0.10	-	-	**0.10**	-	0.10	-	-	**0.10**
	Shri Meghav Mehta	-	0.04	-	-	**0.04**	-	0.04	-	-	**0.04**
	Smt. Ila Mehta	-	-	-	0.41	**0.41**	-	-	-	0.30	**0.30**
	Shri Prahaan Mehta	-	-	-	0.03	**0.03**	-	-	-	-	**-**
	Shri Aadya Mehta	-	-	-	0.03	**0.03**	-	-	-	-	**-**
	Shri Ahana Mehta	-	-	-	0.03	**0.03**	-	-	-	-	**-**
	Shri Sahay Mehta	-	-	-	0.02	**0.02**	-	-	-	-	**-**
	Others	-	0.00	-	0.00	**0.00**	-	-	-	0.08	**0.08**
15	**Donation / CSR Activity**										
	Deepak Foundation	-	-	10.45	-	**10.45**	-	-	12.01	-	**12.01**
	Deepak Medical Foundation	-	-	0.90	-	**0.90**	-	-	-	-	**-**
16	**Deposit Paid**										
	Smt. Ila Mehta	-	-	-	-	**-**	-	-	-	0.18	**0.18**
	Deepak Phenolics Limited	0.04	-	-	-	**0.04**	-	-	-	-	**-**
17	**Deposit Received**										
	Stepup Credits & Capital Private Limited	-	-	-	-	**-**	-	-	0.18	-	**0.18**
	Deepak Novochem Technologies Limited	-	-	-	-	**-**	-	-	0.01	-	**0.01**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025					March 31, 2024				
		Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL	Subsidiary Companies	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & Others	Relative of Key Management Personnel	TOTAL
	Deepak PMC Limited	0.00	-	-	-	**0.00**	-	-	-	-	**-**
	Deepak Advanced Materials Limited	0.01	-	-	-	**0.01**	-	-	-	-	**-**
18	**Net Accounts Receivable incl advance / (Payable)**										
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	-	(1.75)	-	**(1.75)**	-	-	(4.93)	-	**(4.93)**
	Deepak Novochem Technologies Limited	-	-	12.71	-	**12.71**	-	-	8.79	-	**8.79**
	Deepak Phenolics Limited	(5.12)	-	-	-	**(5.12)**	(8.98)	-	-	-	**(8.98)**
	Deepak Nitrite Corporation Inc.	(0.81)	-	-	-	**(0.81)**	(0.81)	-	-	-	**(0.81)**
	Deepak Chem Tech Limited	4.08	-	-	-	**4.08**	3.98	-	-	-	**3.98**
	Deepak PMC Limited	(0.14)	-	-	-	**(0.14)**	-	-	-	-	**-**
	Deepak Advanced Materials Limited	0.13	-	-	-	**0.13**	-	-	-	-	**-**
	Deepak Oman Industries (SFZ) LLC	0.20	-	-	-	**0.20**	-	-	-	-	**-**
	Deepak Cybit Private Limited	-	-	(0.07)	-	**(0.07)**	-	-	-	-	**-**
	Performance Chemiserve Limited	-	-	0.20	-	**0.20**	-	-	-	-	**-**
	Arvind Envisol Limited	-	-	(2.09)	-	**(2.09)**	-	-	(0.12)	-	**(0.12)**
	Mahadhan Agritech Limited	-	-	-	-	**-**	-	-	(0.82)	-	**(0.82)**
	Deepak Foundation	-	-	-	-	**-**	-	-	(0.00)	-	**(0.00)**
	Deepak Medical Foundation	-	-	(0.00)	-	**(0.00)**	-	-	-	-	**-**
	Shri Maulik Mehta	-	(0.78)	-	-	**(0.78)**	-	(0.84)	-	-	**(0.84)**
	Shri Sanjay Upadhyay	-	(0.95)	-	-	**(0.95)**	-	(1.02)	-	-	**(1.02)**
	Shri Girish Satarkar	-	(0.25)	-	-	**(0.25)**	-	(0.21)	-	-	**(0.21)**
	Shri Somsekhar Nanda	-	(0.23)	-	-	**(0.23)**	-	(0.25)	-	-	**(0.25)**
	Commission and Sitting fees to Non-Executive / Independent Directors	-	(1.35)	-	-	**(1.35)**	-	(1.85)	-	-	**(1.85)**

* In previous year FY 2023-24, Subscription in investment of shares of Deepak Oman Industries (SFZ) LLC includes payment made to Deepak Gulf LLC for purchase of shares of Deepak Oman Industries (SFZ) LLC of ₹ 9.51 Crores.

The amounts outstanding are current, unsecured and will be settled in cash or cash equivalents, for which no guarantees have been given or received. No expense has been recognised in current or previous year for bad or doubtful debts in respect of the amounts owed by related parties.

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35. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
I.	**Claims against the Company not acknowledged as debts in respect of**		
(a)	Matters relating to Sales Tax/VAT from FY 2010-11 to FY 2014-15 is being contested at various level of Indirect Tax authorities	0.53	0.53
(b)	Disputed Labour Matters	Amount not ascertainable	
	Management is not expecting any future cash outflow in respect of (a) & (b).		
II.	**Corporate Guarantee**		
(a)	Corporate Guarantee given*	42.79	-
	Total (I + II)	**43.32**	**0.53**
III.	**Commitments**		
	Capital Commitments (Net of Advances: Refer Note 8(a))	65.02	66.56
	Total(III)	**65.02**	**66.56**

* The Company has given guarantee in favour of Export Import Bank of India for securing the term Loan of $49 Mn to be obtained by subsidiary Deepak Oman Industries (SFZ) LLC and to cover interest and other charges thereon. As at 31st March, 2025 outstanding term loan balance is $5 Mn.

36. TAX EXPENSE

A. Income Tax Expense Recognised in the Standalone Statement of Profit and Loss

₹ in Crores

		For the Year March 31, 2025	For the Year March 31, 2024
I.	**Expense / (Benefit) recognised in the standalone statement of profit and loss**		
	Current tax on profit for the year	62.38	129.89
	Increase/ (Decrease) in deferred tax liabilities	(1.27)	(5.06)
	Total Current tax expense	**61.11**	**124.83**
II.	**Expense / (Benefit) recognised in standalone statement of other comprehensive income**		
	Re-measurement gains / (losses) on defined benefit plans	(0.83)	(0.62)
	Equity instruments through other comprehensive income	0.08	0.04
	Total	**(0.75)**	**(0.58)**

B. The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

₹ in Crores

	For the Year March 31, 2025	For the Year March 31, 2024
Profit before taxes	337.54	558.26
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**84.95**	**140.50**
Effect of:		
Gain on transfer of assets to Wholly Owned Subsidiary	(2.21)	-
Donations and CSR Expense	3.05	3.38
Deduction for section 80M pertaining to Dividend Income	(24.66)	(19.03)
Others (Net)	(0.02)	(0.02)
Total income tax expense	**61.11**	**124.83**

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C. Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities/ (assets)

₹ in Crores

	As at March 31, 2025	Recognised in standalone statement of profit and loss /OCI	As at March 31, 2024	Recognised in standalone statement of profit and loss /OCI	As at April 01, 2023
Property, plant and equipment	66.45	3.48	62.97	1.01	61.96
Insurance claim receivable on account of loss of inventory	-	-	-	(8.10)	8.10
Unrealised Gain on Investments	0.53	0.51	0.02	(2.26)	2.28
Total Deferred Tax Liabilities (a)	**66.98**	**3.99**	**62.99**	**(9.35)**	**72.34**
Disallowances u/s 43B, Provision and Others*	16.68	2.62	14.06	(1.96)	16.02
Total Deferred Tax Assets (b)	**16.68**	**2.62**	**14.06**	**(1.96)**	**16.02**
Net Deferred Tax (Asset)/Liabilities (a-b)	**50.30**	**1.37**	**48.93**	**(7.39)**	**56.32**

*Transfer from income tax provision during current year is ₹ 3.39 Crores (previous year ₹ 1.74 Crores).

37. EMPLOYEE BENEFIT OBLIGATIONS

A. Gratuity

The Company has covered its Gratuity Liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by Life Insurance Corporation of India. Under this plan, an employee at retirement is eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is the Plan Asset.

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	52.44	45.71
Current Service Cost	3.69	3.29
Interest Cost	3.77	3.43
Liability Transferred In	0.02	0.17
Liability Transferred (Out)	(0.12)	(0.11)
Actuarial (gain)/losses	3.21	2.14
Benefits Paid	(2.11)	(2.19)
Balance at the end of the year	**60.90**	**52.44**

(ii) Reconciliation of opening and closing balances of Fair Value of Plan Assets

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	43.71	38.50
Interest Income	3.14	2.89
Return on Plan Assets	(0.04)	(0.26)
Contribution by the Company	9.60	4.77
Benefits Paid	(2.11)	(2.19)
Balance at the end of the year	**54.30**	**43.71**
Actual Return on Plan Assets	6.78% to 6.92%	7.21% to 7.23%

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(iii) Assets and Liabilities Recognised in the Standalone Balance Sheet

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Present Value of Defined Benefit Obligation	60.90	52.44
Less: Fair Value of Plan Assets	54.30	43.71
Amounts recognised as liability	**6.60**	**8.73**
Recognised under		
Current provision (Refer Note 18)	6.60	8.73
Total	**6.60**	**8.73**

(iv) Expenses recognised in the Standalone Statement of Profit and Loss

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
Current Service Cost	3.69	3.29
Net Interest Cost	0.63	0.54
Total Expenses (Refer Note 29)	**4.32**	**3.83**

(v) Expenses recognised in the Other Comprehensive Income

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
Actuarial gain/(losses) on Obligation for the year	(3.21)	(2.14)
Return on Plan assets excluding Interest Income	(0.04)	(0.26)
Total Expenses recognised in OCI	**(3.25)**	**(2.40)**

(vi) Major Category of Plan Assets

	As at March 31, 2025		As at March 31, 2024	
	₹ in Crores	%	₹ in Crores	%
Insurance Policies	54.30	100.00	43.71	100.00

Risk exposure

The Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

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Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(vii) Actuarial Assumptions

	As at March 31, 2025	As at March 31, 2024
Discount Rate	6.83%	7.23%
Expected Return on Plan Assets	6.83%	7.23%
Salary Growth Rate	8.00%	8.00%
Attrition Rate	2.00%	2.00%

(viii) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

	Change in assumptions		Impact on defined benefit obligation			
			Increase		Decrease	
	March 31, 2025	March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	%	%	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores
Discount Rate	1.00%	1.00%	(3.71)	(3.15)	4.33	3.66
Salary Growth Rate	1.00%	1.00%	4.19	3.56	(3.68)	(3.14)
Attrition Rate	1.00%	1.00%	(0.39)	(0.25)	0.43	0.27

In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit liability as recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the prior year.

(ix) Maturity profile of Defined Benefit Obligation

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Within the next 12 months	16.84	12.94
From 2 to 5 years	15.76	15.92
From 6 to 10 years	20.99	18.96
Beyond 10 years	60.56	52.74

B. Leave Benefit

(a) The Leave Benefit is wholly unfunded. Hence, there are no plan assets attributable to the obligation.

(b) The accumulated balance of Leave Benefit (unfunded) provided in the books as at March 31, 2025, is ₹ 42.31 Crores (Previous year ₹ 36.93 Crores), which is determined on actuarial basis using Projected Unit Credit Method.

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C. Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Standalone Statement of Profit and Loss, for the year is as under

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
Employer's Contribution to Provident Fund and other funds except superannuation	13.50	11.78
Employer's Contribution to Superannuation Fund	2.98	2.74
Total (refer note 29)	**16.48**	**14.52**

38. CAPITAL MANAGEMENT

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business.

The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

For the purpose of Capital Management, the Company considers the following components of its Balance Sheet to manage capital.

The capital structure of the Company was as follows

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Total Equity (A)	3,126.48	2,954.54
Non-Current Borrowings	-	-
Current Borrowings	18.87	-
Total Borrowings (B)	18.87	-
Total Capital (A+B)	**3,145.35**	**2,954.54**
Total Borrowings as % of Total Capital	0.60%	0.00%
Total Borrowings as % of Total Equity	0.60%	0.00%

The Interest Coverage Ratio for the reporting year was as follows

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
EBITDA (excluding other income & exceptional item)	288.93	442.38
Finance Cost (excluding interest on lease)	0.71	0.84
Interest Coverage Ratio	**406.94**	**529.29**

The Debt Service Coverage Ratio for the reporting year was as follows

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
EBITDA (excluding other income & exceptional item)	288.93	442.38
Finance Cost (excluding interest on lease)	0.71	0.84
Repayment of Non-Current Borrowings	-	-
Debt Service Coverage Ratio	**406.94**	**529.29**

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39. FINANCIAL INSTRUMENTS

39.1. Categories of financial instruments

The carrying value of financial instruments by categories as at March 31, 2025 is as follows

₹ in Crores

	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total
Financial Assets				
Cash and Cash Equivalents	-	-	6.09	6.09
Other Balances with Banks	-	-	1.97	1.97
Investments	2.86	88.72	-	91.58
Government Securities (Refer Note 4(d))	-	-	0.00	0.00
Trade Receivables	-	-	612.93	612.93
Loans	-	-	11.59	11.59
Other Financial Assets	-	-	17.92	17.92
Total	**2.86**	**88.72**	**650.50**	**742.08**
Financial Liabilities				
Current Borrowings	-	-	18.87	18.87
Trade Payables	-	-	295.93	295.93
Other Financial Liabilities	-	-	64.30	64.30
Total	**-**	**-**	**379.10**	**379.10**

The carrying value of financial instruments by categories as at March 31, 2024 is as follows

₹ in Crores

	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total
Financial Assets				
Cash and Cash Equivalents	-	-	172.91	172.91
Other Balances with Banks	-	-	1.87	1.87
Investments	2.55	90.23	-	92.78
Government Securities (Refer Note 4(d))	-	-	0.00	0.00
Trade Receivables	-	-	614.26	614.26
Loans	-	-	172.32	172.32
Other Financial Assets	-	-	63.21	63.21
Total	**2.55**	**90.23**	**1,024.57**	**1,117.35**
Financial Liabilities				
Trade Payables	-	-	239.36	239.36
Other Financial Liabilities	-	0.77	60.83	61.60
Total	**-**	**0.77**	**300.19**	**300.96**

The assets and liabilities which are valued at amortised cost represents Fair Value at period end.

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39.2. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

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

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

Fair Value Hierarchy as at March 31, 2025

₹ in Crores

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	88.72	-	2.86	91.57
Other Financial Assets	-	-	-	-

Fair Value Hierarchy as at March 31, 2024

₹ in Crores

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	90.22	-	2.56	92.78
Other Financial Assets	-	-	-	-

Reconciliation of Level 3 fair value measurements

₹ in Crores

	Investment in unquoted shares irrevocably designated as FVTOCI
Balance as at April 01, 2023	**2.39**
Total gains in other comprehensive income	0.16
Balance as at March 31, 2024	**2.55**
Total gains in other comprehensive income	0.30
Balance as at March 31, 2025	**2.85**

Comparative Market Multiples method has been used for estimating the fair value of such Investment. The fair valuation estimates are based on historical annual accounts/annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee companies including projections about their profitability, balance sheet status and cash flow expectations are not available.

39.3. Financial Risk Management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts and option contracts to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

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Item	Primarily effected by	Risk management policies	Reference
Market risk - currency risk	Foreign Currency balances and exposure towards trade payables, exports, short-term and long-term borrowings	The Company hedges its foreign currency risk using foreign exchange forward contracts and option contracts.	Note 39.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; cash management policies	Note 39.4.2
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations.	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 39.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 39.5

39.4. Market Risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks

- Foreign currency risk
- Interest rate risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

39.4.1. Foreign Currency Risk management

The Company is exposed to foreign exchange risk on account of following

1. Imports of raw materials and services.
2. Exports of finished goods.

The Company has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts, option contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Company follows netting principle for managing the foreign exchange exposure.

(a) The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD (Crores)	1.08	0.60	2.41	3.16
INR (Crores)	92.77	49.86	206.28	263.51
EURO (Crores)	0.00	0.00	0.48	0.13
	(Represents € 1371.44)	(Represents € 3,049)		
INR (Crores)	0.01	0.03	44.46	11.76
GBP (Crores)	-	-	0.01	-
INR (Crores)	-	-	1.42	-
CNY (Crores)	-	-	1.33	-
INR (Crores)	-	-	15.60	-
CHF (Crores)	-	0.00	0.00	-
		(Represents CHF 14,221)	(Represents CHF 26.95)	
INR (Crores)	-	0.13	0.00	-
			(Represents INR 2610)	

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The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

(b) Foreign currency forward contracts and option contracts outstanding as at the Balance Sheet date:

	As at March 31, 2025		As at March 31, 2024	
	Buy	Sell	Buy	Sell
Forward Contracts (USD Crores)	-	0.10	-	2.05
Forward Contracts (EURO Crores)	-	0.12	-	-
Range Forward (USD Crores)	-	0.71	-	0.30

The forward contracts and option contracts have been entered into to hedge the foreign currency risk on trade receivables and trade payables.

(c) Net open exposures outstanding as at the Balance Sheet date:

Currency	Liabilities		Assets	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD (Crores)	-	-	0.52	0.21
GBP (Crores)	-	-	0.01	-
CNY (Crores)	-	-	1.33	-
CHF (Crores)	-	0.00	0.00	-
		(Represents CHF 14,221)	(Represents CHF 26.95)	
EURO (Crores)	-	-	0.36	0.13

(d) Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a ₹ 1 increase and decrease against the US Dollar. ₹ 1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹ 1 change in foreign currency rates. A positive number below indicates an increase in profit where the Rupee strengthens by ₹ 1 against the US Dollar. For a ₹ 1 weakening against the US Dollar, there would be a comparable impact on the profit before tax.

₹ in Crores

Currency USD Impact on profit or loss	As at March 31, 2025	As at March 31, 2024
Impact of ₹ 1 strengthening against US Dollar	(1.08)	(0.97)
Impact of ₹ 1 weakening against US Dollar	1.70	(0.31)

39.4.2. Interest Rate Risk Management

The Company draws working capital demand loans, avails cash credit, foreign currency borrowings etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

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39.5. Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment through third party experts. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken upon case to case basis. The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The table below provides ageing of trade receivables as at March 31, 2025

₹ in Crores

Particulars	Undisputed Trade Receivables – considered good	Undisputed Trade Receivables – which have significant increase in credit risk	Undisputed Trade Receivables – credit impaired	Total
Not Due	471.05	-	-	471.05
Less than 6 months	138.18	-	-	138.18
6 months - 1 year	10.77	-	-	10.77
1 - 2 years	0.85	-	-	0.85
2-3 years	0.19	-	-	0.19
More than 3 years	3.05	-	-	3.05
Sub-Total	**624.09**	**-**	**-**	**624.09**
Less: Allowance for credit loss	11.16	-	-	11.16
Total (Refer Note 11)	**612.93**	**-**	**-**	**612.93**

The table below provides ageing of trade receivables as at March 31, 2024

₹ in Crores

Particulars	Undisputed Trade Receivables – considered good	Undisputed Trade Receivables – which have significant increase in credit risk	Undisputed Trade Receivables – credit impaired	Total
Not Due	450.68	-	-	450.68
Less than 6 months	165.20	-	-	165.20
6 months - 1 year	1.28	-	-	1.28
1 - 2 years	0.40	-	-	0.40
2-3 years	0.80	-	-	0.80
More than 3 years	2.32	-	-	2.32
Sub-Total	**620.68**	**-**	**-**	**620.68**
Less: Allowance for credit loss	6.42	-	-	6.42
Total (Refer Note 11)	**614.26**	**-**	**-**	**614.26**

Reconciliation of loss allowance provision - Trade receivables

	₹ in Crores
Loss allowance as at April 01, 2023	**14.99**
Changes in loss allowance	(8.57)
Loss allowance as at March 31, 2024	**6.42**
Changes in loss allowance	4.74
Loss allowance as at March 31, 2025	**11.16**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

The table below provides ageing of trade payables as at March 31, 2025

₹ in Crores

Outstanding for following periods from due date of payment	MSME	Others	Disputed MSME	Disputed Others	Total
Unbilled	-	67.25	-	-	67.25
Not Due	46.35	81.83	-	-	128.18
Less than 1 year	3.16	96.03	-	-	99.19
1 to 2 years	-	1.16	-	-	1.16
2 to 3 years	-	0.15	-	-	0.15
More than 3 years	-	-	-	-	-
Total (Refer Note 21)	**49.51**	**246.42**	**-**	**-**	**295.93**

The table below provides ageing of trade payables as at March 31, 2024

₹ in Crores

Outstanding for following periods from due date of payment	MSME	Others	Disputed MSME	Disputed Others	Total
Unbilled	-	72.21	-	-	72.21
Not Due	22.11	66.65	-	-	88.76
Less than 1 year	2.74	74.91	-	-	77.65
1 to 2 years	-	0.68	-	-	0.68
2 to 3 years	-	0.01	-	-	0.01
More than 3 years	-	0.05	-	-	0.05
Total (Refer Note 21)	**24.85**	**214.51**	**-**	**-**	**239.36**

39.6. Liquidity Risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2025

₹ in Crores

	Amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Trade Payables	295.93	295.93	-	-	295.93
Borrowings	18.87	18.87	-	-	18.87
Other Financial Liabilities	33.43	33.43	-	-	33.43

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2024

₹ in Crores

	Amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Trade Payables	239.36	239.36	-	-	239.36
Borrowings	-	-	-	-	-
Other Financial Liabilities	29.57	29.57	-	-	29.57

Refer note 42B for contractual maturity of Lease Liabilities.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

39.7. Changes in Liabilities arising from Financing Activities

₹ in Crores

	Current Borrowings	Interest Accrued But Not Due	Lease Liabilities	Unpaid dividend on equity Shares (Incl DDT)
As at April 01, 2023	**-**	**-**	**10.68**	**1.60**
Cash Flows	-	(0.84)	(2.37)	(102.29)
Charged to P&L during the year	-	0.84	1.25	-
Additions (net of Deductions/Disposal)	-	-	22.46	-
Dividend recognised during the year	-	-	-	102.29
As at March 31, 2024	**-**	**-**	**32.03**	**1.60**
Cash Flows	18.87	(0.71)	(4.24)	(102.29)
Charged to P&L during the year	-	0.71	3.07	-
Dividend recognised during the year	-	-	-	102.29
As at March 31, 2025	**18.87**	**-**	**30.86**	**1.60**

40. ANALYTICAL RATIOS

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance
Current Ratio (x)#	Current Assets	Current Liabilities	3	5	-34%
Debt-Equity Ratio (x)	Total Debt	Shareholder's Equity	0	-	-
Debt Service Coverage Ratio (x)	EBITDA (excluding other income & Exceptional item)	Finance Cost (excluding interest on lease) + Repayment of Non-Current Borrowings	407	529	-23%
Return on Equity Ratio (%)$	Profit after tax	Average Shareholder's Equity	9%	16%	-41%
Inventory turnover ratio (x)	Cost of Materials Consumed + Changes in Inventories of FG and WIP + Power & Fuel Expenses	Average Inventory	4	4	-6%
Trade Receivables turnover ratio (x)	Revenue from Operations	Average Trade Receivables	4	4	-8%
Trade payables turnover ratio (x)	Cost of Materials Consumed + Power & Fuel Expenses + Closing Inventory - Opening Inventory	Average Trade Payables	6	6	2%
Net capital turnover ratio (x)*	Revenue from Operations	Working Capital	3	2	32%
Net-Profit Ratio (%)$	Profit after tax	Revenue from Operations	11%	16%	-31%
Return on Capital employed (%)$	Earnings before Interest and Taxes	Total Assets - Current Liabilities	11%	16%	-33%
Return on investment (%)					
Quoted	Income from Investment	Time Weighted Average Investment	7%	7%	-1%

Decrease in cash & cash equivalents as compared to last year. Profits generated from business has been deployed in projects during the current year.

$ Decrease in profitability as compared to previous year due to headwinds in Agrochemical business and steep Chinese competition in company's business segment.

* Ratios improved on account of significant reduction in working capital.

41. SEGMENT INFORMATION

In accordance with Ind AS 108, 'Operating Segments', segment information has been given in the Consolidated Financial Statements and therefore, no separate disclosure on segment information is given in the Standalone Financial Statements.

The following table shows the distribution of the Company's Revenue and Assets by geographical market:

₹ in Crores

Revenue	For the year March 31, 2025	For the year March 31, 2024
In India	1,385.15	1,446.84
Outside India	1,141.32	1,277.51
Total	**2,526.47**	**2,724.35**

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

₹ in Crores

Carrying Amount of Segment Assets	As at March 31, 2025	As at March 31, 2024
In India	3,309.54	3,066.27
Outside India	307.93	304.74
Total	**3,617.47**	**3,371.01**

₹ in Crores

Addition to Fixed Assets	As at March 31, 2025	As at March 31, 2024
In India		
- Tangible	165.84	171.65
- Intangible	0.65	1.32
Outside India		
- Tangible	-	-
- Intangible	-	-
Total	**166.49**	**172.97**

42. LEASES

A. The following is the movement in lease liabilities:

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	**32.03**	**10.68**
Additions during the year	-	29.99
Deductions during the year	-	(7.53)
Finance cost accrued during the year	3.07	1.25
Payment/Provision of Lease Liabilities	(4.24)	(2.37)
Balance at the end of the year	**30.86**	**32.03**
Recognised under		
Non -Current Financial Liabilities	29.37	30.02
Current Financial Liabilities	1.49	2.01
Total	**30.86**	**32.03**

B. The following are details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Less than one year	4.26	4.00
One to five years	15.47	19.72
More than five years	65.52	65.52
Total	**85.25**	**89.24**

43. EARNINGS PER SHARE

	As at March 31, 2025	As at March 31, 2024
Basic and Diluted Earnings per Share		
Number of Shares at the beginning (Nos. in Crores)	13.64	13.64
Number of Shares at the end (Nos. in Crores)	13.64	13.64
Weighted Average Number of Shares considered for Basic and Diluted Earnings Per Share (Nos. in Crores)	13.64	13.64
Weighted Average Number of Shares considered for Diluted Earnings Per Share (Nos. in Crores)	13.64	13.64
Net Profit after Tax available for Equity Shareholders (₹ in Crores)	276.43	433.43
Basic and Diluted Earnings (in Rupees) Per Share of ₹ 2/- each	20.27	31.78

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

44. RESEARCH AND DEVELOPMENT EXPENSES

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(i)	**Capital Expenditure (Refer Note 2.3)**	0.73	9.13
(ii)	**Revenue Expenditure**		
	Materials	0.66	0.49
	Utilities	0.37	0.50
	Maintenance	0.70	0.68
	Personnel	11.82	10.90
	Others	3.73	4.27
		17.28	**16.84**
	Depreciation & Amortisation	4.32	3.49
		4.32	**3.49**
	Total Revenue Expenditure	**21.60**	**20.33**
(iii)	**Total Capital & Revenue Expenditure ((i)+(ii))**	**22.33**	**29.46**

45. DISCLOSURES UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006

To the extent, the company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(i)	Principal amount remaining unpaid.	49.51	24.85
(ii)	Interest due thereon remaining unpaid.	-	-
(iii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(iv)	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 the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(v)	Interest accrued and remaining unpaid (net of tax deducted at source).	-	-
(vi)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

46. The Company has been sanctioned working capital from banks on the basis of security of current assets. Quarterly Statements of Inventory and Book Debts submitted with the Banks in this regard, are reconciling with the books of Accounts of respective period.

47. CORPORATE SOCIAL RESPONSIBILITY

During FY 2024-25, the Company has spent ₹ 11.94 Crores on Corporate Social Responsibility activities, against the requirement of ₹ 11.30 Crores, being 2% of average of the net profits for the preceding three years.

The Company has been continuing to undertake projects for overall development and welfare of the society. Through the group's charitable trust "Deepak Foundation", the Company has upgraded its Corporate Social Responsibility ('CSR') activities to cover a larger section of the society encompassing social interventions in various developmental domains.

₹ in Crores

Particulars	As at March 31, 2025	As at March 31, 2024
Amount required to be spent by the company during the year	11.30[@]	11.69
Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	0.20	2.11
(ii) On purposes other than (i) above	11.74	10.34
Shortfall/(Excess) at the end of the year carried forward	(0.64)	(0.76)
Total of previous years shortfall	NIL	0.7
Reason for shortfall	Ongoing Projects	Ongoing Projects
Nature of CSR activities	Health Care, Skills Building & Livelihood, Education & Research & Development	

[@] Net of excess contribution from previous years set-off in the current financial year.

* Refer note 34 for expenses incurred for CSR with related parties.

Notes

forming part of the Standalone Financial Statements as at and for the year ended March 31, 2025

48. With respect to fire incident at Company's one of the manufacturing sites located at Nandesari, Gujarat in June 2022 an amount of ₹ 79.80 Crores has been recognised under Exceptional items in Statement of Profit and Loss for the year ended March 31, 2024 on account of final settlement from Insurance Company.

49. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with struck off companies.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have 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

(vi) The Company have 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,

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

50. **Events occurring after the balance sheet date:** The Board of Directors have recommended, subject to the approval of shareholders, dividend of ₹ 7.50/- (Rupees Seven & Fifty Paise only) per equity share of face value of ₹ 2/- (Rupees Two only) each for the year ended March 31, 2025 on 13,63,93,041 equity shares amounting to ₹ 102.29 Crores.

51. The Standalone Financial Statements were approved for issue by the Board of Directors on May 28, 2025.

For and on behalf of the Board

DEEPAK C. MEHTA
Chairman & Managing Director
DIN: 00028377

MAULIK MEHTA
Executive Director & CEO
DIN: 05227290

SANJAY UPADHYAY
Director-Finance & Group CFO
DIN: 01776546

SOMSEKHAR NANDA
Chief Financial Officer
ICAI Membership No.: 49831

DILEEP CHOKSI
Director
DIN: 00016322

ARVIND BAJPAI
Company Secretary
Membership No. : F6713

Vadodara: May 28, 2025

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries

PART "A": SUBSIDIARIES

1	Name of the subsidiary	Deepak Phenolics Limited	Deepak Chem Tech Limited	Deepak Nitrite Corporation, Inc.	Deepak Oman Industries (SFZ) LLC	Deepak Project Management Company Limited	Deepak Advanced Materials Limited	Narmada Thermal Power Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	US$ 1US$ = ₹ 85.5814	Omani Rial 1 OMR = ₹ 222.028	INR	INR	INR
		₹ in Crores	₹ in Crores	₹ in Lakhs	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores
4	Share Capital	280.00	923.00	47.68	74.34	5.00	34.51	14.91
5	Other Equity	2,366.03	(55.52)	36.15	(0.77)	0.45	(7.15)	(0.98)
6	Total Assets	3,247.78	2,145.07	86.53	147.37	8.83	74.67	16.24
7	Total Liabilities	601.75	1,277.59	2.70	73.80	3.38	47.30	2.31
8	Investments	419.32	61.65	-	-	-	-	-
9	Turnover	5,805.10	9.43	14.28	-	8.45	7.38	-
10	Profit/(Loss) before Tax	794.85	(52.66)	1.64	0.29	0.70	(8.38)	(0.47)
11	Provision for Tax	203.64	(8.12)	0.13	0.03	0.16	(1.44)	-
12	Profit/(Loss) after Tax	591.21	(44.54)	1.51	0.26	0.53	(6.94)	(0.47)
13	Total Comprehensive Income	590.75	(44.33)	1.51	0.26	0.53	(6.94)	(0.47)
14	Proposed Dividend	91.00	-	-	-	-	-	-
15	% of Shareholding	100%	100%	100%	51.00%	100.00%	100.00%	100.00%

For and on behalf of the Board

DEEPAK C. MEHTA
Chairman & Managing Director
DIN: 00028377

MAULIK MEHTA
Executive Director & CEO
DIN: 05227290

SANJAY UPADHYAY
Director-Finance & Group CFO
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SOMSEKHAR NANDA
Chief Financial Officer
ICAI Membership No.: 49831

DILEEP CHOKSI
Director
DIN: 00016322

ARVIND BAJPAI
Company Secretary
Membership No. : F6713

Vadodara: May 28, 2025

Independent Auditor's Report

To The Members Deepak Nitrite Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Deepak Nitrite Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025 and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition – the Parent** Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cutoff can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition, included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, testing of cut-offs and performing analytical review procedures.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

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

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the

Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

OTHER MATTERS

We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets of ₹ 247.97 Crores as at March 31, 2025 total revenues of ₹ 15.43 Crores and net cash inflows amounting to ₹ 4.96 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer note 37 to the consolidated financial statements;

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer note 41 to the consolidated financial statements;

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

      iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 47 (v)(a) and (b) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons

or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 47 (vi)(a) and (b) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 52 to the consolidated financial statements, the Board of Directors of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN 25116642BMLMXI5085)

Place: Vadodara
Date: May 28, 2025

Annexure "A" to the Independent Auditor's Report

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

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Deepak Nitrite Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN 25116642BMLMXI5085)

Place: Vadodara
Date: May 28, 2025

Consolidated Balance Sheet

as at March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

₹ in Crores

		Notes	As at March 31, 2025	As at March 31, 2024
I.	**ASSETS**			
	Non-Current Assets			
(a)	Property, Plant and Equipment	2	2,400.20	2,243.11
(b)	Capital Work-in-Progress	2	1,649.05	773.51
(c)	Goodwill		2.66	-
(d)	Intangible Assets	3	54.37	49.61
(e)	Financial Assets			
	Investments	4	2.98	2.69
	Loans	5	1.96	2.09
	Other Financial Assets	6	15.52	28.60
(f)	Non-Current Tax Assets (Net)	7	0.40	4.86
(g)	Deferred Tax Assets	8	11.65	2.17
(h)	Other Non-Current Assets	9	281.77	147.98
	Total Non-Current Assets		**4,420.56**	**3,254.62**
	Current Assets			
(a)	Inventories	10	926.40	759.91
(b)	Financial Assets			
	Investments	11	507.91	119.16
	Trade Receivables	12	1,273.81	1,298.35
	Cash and Cash Equivalents	13	179.41	237.97
	Bank balances other than Cash and Cash Equivalents above	14	227.15	227.49
	Loans	5	1.74	1.11
	Other Financial Assets	15	18.56	62.21
(c)	Other Current Assets	16	162.13	135.40
	Total Current Assets		**3,297.11**	**2,841.60**
	TOTAL ASSETS		**7,717.67**	**6,096.22**
II.	**EQUITY AND LIABILITIES**			
	Equity			
(a)	Equity Share Capital	17	27.28	27.28
(b)	Other Equity	18	5,361.39	4,769.34
(c)	Non-Controlling Interest		35.99	26.06
	Total Equity		**5,424.66**	**4,822.68**
	Liabilities			
	Non-Current Liabilities			
(a)	Financial Liabilities			
	Borrowings	19	1,025.71	216.95
	Lease Liabilities	43	88.60	62.28
(b)	Provisions	20	43.16	35.63
(c)	Deferred Tax Liabilities (Net)	21	212.78	173.62
	Total Non-Current Liabilities		**1,370.25**	**488.48**
	Current Liabilities			
(a)	Financial Liabilities			
	Borrowings	22	144.82	-
	Lease Liabilities	43	7.88	6.85
	Trade Payables			
	Total outstanding dues of			
	a) Micro Enterprises and Small Enterprises	23	64.92	32.77
	b) creditors other than Micro Enterprises and Small Enterprises	23	456.85	504.89
	Other Financial Liabilities	24	184.64	172.19
(b)	Other Current Liabilities	25	32.20	43.49
(c)	Provisions	20	18.88	17.43
(d)	Current Tax Liabilities (Net)	26	12.57	7.44
	Total Current Liabilities		**922.76**	**785.06**
	Total Liabilities		**2,293.01**	**1,273.54**
	TOTAL EQUITY AND LIABILITIES		**7,717.67**	**6,096.22**
	Material Accounting Policies	1		

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Vadodara: May 28, 2025

Maulik Mehta
Executive Director & CEO
DIN: 05227290

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Dileep Choksi
Director
DIN: 00016322

Arvind Bajpai
Company Secretary
Membership No.: F6713

Consolidated Statement of Profit and Loss

for the Year ended March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

₹ in Crores

			Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**Revenue from Operations**		27	8,281.93	7,681.83
II.	**Other Income**		28	83.86	76.10
III.	**Total Income (I+II)**			**8,365.79**	**7,757.93**
IV.	**Expenses:**				
	(a)	Cost of Materials Consumed	29	5,681.16	5,056.09
	(b)	Purchases of Stock-in-Trade		131.63	77.02
	(c)	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	30	(24.90)	102.99
	(d)	Employee Benefits Expense	31	392.15	351.05
	(e)	Power & Fuel Expenses	32	463.52	457.12
	(f)	Finance Costs	33	27.50	11.83
	(g)	Depreciation and Amortisation Expense	34	195.37	165.66
	(h)	Other Expenses	35	546.61	514.28
	Total Expenses (IV)			**7,413.04**	**6,736.04**
V.	**Profit before share of profit of an Associate and Exceptional Items (III-IV)**			**952.75**	**1,021.89**
VI.	**Profit before Tax from Associate**			-	0.03
VII.	**Profit before Exceptional Items and Tax (V+VI)**			952.75	1,021.92
VIII.	**Exceptional Items**		48	-	79.80
IX.	**Profit before tax (VII+VIII)**			**952.75**	**1,101.72**
X.	**Tax Expense:**				
	(a)	Current Tax		228.33	273.10
	(b)	Deferred Tax		27.05	17.73
XI.	**Profit for the Year (IX-X)**			**697.37**	**810.89**
XII.	**Other Comprehensive Income:**				
	(A)	Items that will not be Reclassified to Profit and Loss:			
		(a) Remeasurement of Defined Benefit Obligations (Net)		(3.61)	(2.78)
		(b) Tax Effect on remeasurement of Defined Benefit obligations (Net)		0.94	0.71
		(c) Fair Value gains on Investments		0.30	0.16
		(d) Tax effect of Fair Value Gains on Investments		(0.08)	(0.04)
	(B)	Items that will be reclassified to profit and loss:			
		(a) Exchange Differences on translation of foreign operations		(0.86)	-
		(b) Tax effect on Exchange Differences on translation of foreign operations		-	-
	Total Other Comprehensive Income for the Year (XII)			**(3.31)**	**(1.95)**
XIII.	**Total Comprehensive Income for the Year (XI+XII)**			**694.06**	**808.94**
XIV.	**Profit is attributable to:**				
		Owners of the Company		697.24	810.90
		Non-Controlling Interest		0.13	(0.01)
XV.	**Other Comprehensive Income is attributable to:**				
		Owners of the Company		(2.89)	(1.95)
		Non-Controlling Interest		(0.42)	-
XVI.	**Total Comprehensive Income is attributable to:**				
		Owners of the Company		694.35	808.95
		Non-Controlling Interest		(0.29)	(0.01)
	Earnings Per Equity Share				
	(a)	Basic (Nominal Value per share ₹ 2)	44	51.12	59.45
	(b)	Diluted (Nominal Value per share ₹ 2)	44	51.12	59.45

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Vadodara: May 28, 2025

Maulik Mehta
Executive Director & CEO
DIN: 05227290

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Dileep Choksi
Director
DIN: 00016322

Arvind Bajpai
Company Secretary
Membership No.: F6713

Consolidated Cash Flow Statement

for the Year ended March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**952.75**	**1,101.72**
	Adjustments for :		
	1. Depreciation and Amortisation Expense	195.37	165.66
	2. Loss on Sale of Property, Plant and Equipment	(0.22)	(0.86)
	3. Gain on disposal/modification of RTU assets	-	(1.56)
	4. Provision/(Reversal) for Doubtful Debts	6.84	(27.62)
	5. Provision/(Reversal) for Inventory Obsolescence	1.47	(0.07)
	6. Writebacks (net off Bad debts)	(3.72)	1.69
	7. Gain on Redemption of Current Investment including gain on fair valuation	(24.80)	(31.03)
	8. Finance Costs	27.50	11.83
	9. Interest Income	(36.48)	(4.35)
	10. Unrealised Foreign Exchange Loss/(Gain) net	0.90	1.08
	Operating Profit Before Change in Operating Assets and Liabilities	**1,119.61**	**1,216.49**
	Movements in Working Capital :		
	1. (Increase)/Decrease in Inventories	(160.38)	133.23
	2. (Increase)/Decrease in Trade Receivables	17.61	13.35
	3. (Increase)/Decrease in Other Assets	(97.52)	(137.30)
	4. Increase/(Decrease) in Trade Payables	(35.85)	(114.64)
	5. Increase/(Decrease) in Other Liabilities	(3.62)	29.38
	Cash Generated from Operations	**839.85**	**1,140.51**
	Less: Income tax paid (net of refund)	215.15	266.45
	Net Cash Inflow from Operating Activities (A)	**624.70**	**874.06**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	1. Purchase of Property, Plant and Equipment, including Capital Work-in-Progress, Capital Advances & Payable for Capital Expenditure	(1,122.07)	(738.39)
	2. Purchase of Intangible Assets	(14.23)	(29.32)
	3. Proceeds from Sale of Property, Plant and Equipment	17.21	3.25
	4. Payment for acquisition of subsidiaries (refer note 49 and 51)	(42.41)	(27.24)
	5. Net Proceeds/(Purchase) from Redemption of Current Investments	(363.94)	288.70
	6. Deposit with Bank	0.44	(218.80)
	7. Interest Received	33.67	3.96
	Net Cash Outflow from Investing Activities (B)	**(1,491.33)**	**(717.84)**

Consolidated Cash Flow Statement (Contd.)

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	1. Proceeds from issue of Equity Shares by subsidiary	10.22	-
	2. Proceeds from Non-Current Borrowings	806.88	216.95
	3. Repayment of Non-Current Borrowings	-	(49.02)
	4. Net (Proceeds)/Borrowings from Current Borrowings	120.82	(5.46)
	5. Interest paid	(19.44)	(9.82)
	6. Dividend paid on Equity Shares	(102.29)	(102.29)
	7. Margin Money Deposit	(0.01)	(0.01)
	8. Principal repayment of Lease Liability	(5.77)	(4.34)
	9. Interest cost of Lease	(4.25)	(2.48)
	Net Cash Outflow from Financing Activities (C)	**806.16**	**43.53**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(60.47)**	**199.75**
	Cash and Cash Equivalents at the Beginning of the Financial Year	237.97	37.64
	Cash and Cash Equivalents on acquisition of subsidiaries (refer note 49, 50 & 51)	1.91	0.58
	Cash and Cash Equivalents at the End of the Financial Year	**179.41**	**237.97**
	Reconciliation of Cash and Cash Equivalents		
	Balances with Banks:		
	In Current Accounts	55.07	9.01
	In Cash Credit Accounts	-	19.83
	Deposit with banks with maturity less than 3 months from the date of acquisition	123.90	209.01
	Cash on Hand	0.44	0.12
	Total Cash and Cash Equivalents as per note 13.	**179.41**	**237.97**

Notes:

1. The Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.
2. Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 'Cash Flow Statement' is presented under note 41.7.

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Vadodara: May 28, 2025

Maulik Mehta
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Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Dileep Choksi
Director
DIN: 00016322

Arvind Bajpai
Company Secretary
Membership No.: F6713

Consolidated Statement of Changes in Equity

for the Year ended March 31, 2025

Corporate Identification Number: L24110GJ1970PLC001735

(A) EQUITY SHARE CAPITAL (REFER NOTE 17)

₹ in Crores

	Amount
As at April 01, 2023	**27.28**
Changes in Equity Share Capital during the year	-
As at March 31, 2024	**27.28**
Changes in Equity Share Capital during the year	-
As at March 31, 2025	**27.28**

(B) OTHER EQUITY (REFER NOTE 18)

₹ in Crores

	Attributable to Owner's of the Company								Non-controlling Interests	Total
	Reserves and Surplus					Other Comprehensive Income		Total		
	Retained Earnings	Capital Reserve	General Reserve	Capital Redemption Reserve	Securities Premium	Equity instruments through other comprehensive income	Foreign currency translation reserve			
Balance as at April 01, 2023	**3,528.32**	**0.71**	**98.90**	**0.15**	**434.17**	**0.43**	**-**	**4,062.68**	**-**	**4,062.68**
Transactions with Non-controlling Interests	-	-	-	-	-	-	-	-	26.07	26.07
Profit for the year	810.90	-	-	-	-	-	-	810.90	(0.01)	810.89
Other Comprehensive income (net of taxes)	(2.07)	-	-	-	-	0.12	-	(1.95)	-	(1.95)
Dividend	(102.29)	-	-	-	-	-	-	(102.29)	-	(102.29)
Balance as at March 31, 2024	**4,234.86**	**0.71**	**98.90**	**0.15**	**434.17**	**0.55**	**-**	**4,769.34**	**26.06**	**4,795.40**
Transactions with Non-controlling Interests	-	-	-	-	-	-	-	-	10.22	10.22
Profit for the year	697.24	-	-	-	-	-	-	697.24	0.13	697.37
Other Comprehensive income (net of taxes)	(2.67)	-	-	-	-	0.22	(0.44)	(2.89)	(0.42)	(3.31)
Dividend	(102.29)	-	-	-	-	-	-	(102.29)	-	(102.29)
Balance as at March 31, 2025	**4,827.13**	**0.71**	**98.90**	**0.15**	**434.17**	**0.77**	**(0.44)**	**5,361.39**	**35.99**	**5,397.38**

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Hardik Sutaria
Partner

Vadodara: May 28, 2025

For and on behalf of the Board

Deepak C. Mehta
Chairman & Managing Director
DIN: 00028377

Maulik Mehta
Executive Director & CEO
DIN: 05227290

Dileep Choksi
Director
DIN: 00016322

Sanjay Upadhyay
Director-Finance & Group CFO
DIN: 01776546

Somsekhar Nanda
Chief Financial Officer
ICAI Membership No.: 49831

Arvind Bajpai
Company Secretary
Membership No.: F6713

Vadodara: May 28, 2025

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

GROUP OVERVIEW

Deepak Nitrite Limited ('DNL' or 'the Company') is a prominent chemical manufacturing public limited company incorporated and domiciled in India. Its registered office is located at 2nd Floor, Fermenter House, Alembic City, Alembic Avenue Road, Vadodara – 390 003, Gujarat, India and its manufacturing facilities are located in the states of Gujarat, Maharashtra and Telangana.

The Company with its seven subsidiaries namely Deepak Phenolics Limited, Deepak Nitrite Corporation Inc., Deepak Chem Tech Limited, Deepak Oman Industries (SFZ) LLC, Deepak Project Management Company Limited, Deepak Advanced Materials Limited (formerly known as OXOC Chemicals Limited) (w.e.f August 09, 2024), Narmada Thermal Power Private Limited (w.e.f June 01, 2024) are referred to as the Group here under.

The Group manufactures Advanced Intermediates and Phenolics.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

On May 9, 2025, MCA notified the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

1. Material Accounting Policies

This Note provides a list of the material Accounting Policies adopted by the Group in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Financial Statements are for the Group consisting of the Company and its subsidiary companies.

(a) I. Basis of preparation

(i) Compliance with Ind AS

The Consolidated Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Consolidated Financial Statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

(a) Certain financial assets and financial liabilities measured at fair value

(b) Derivative Financial instruments

(c) Defined benefit plan – plan assets measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. For fair value measurement and/or disclosure purposes in the financial statements, the basis of measurement is generally fair value, except for leasing transactions covered under Ind AS 116, and certain measurements that resemble fair value but are not, such as net realizable value under Ind AS 2 or value in use under Ind AS 36.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(ii) Functional and Presentation Currency

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('functional currency'). The Consolidated Financial Statements of the Group are presented in Indian currency (INR), which is also the functional and presentation currency of the Group.

(iii) Use of estimates

Preparation of the Consolidated Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and the underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Useful lives and residual value of property, plant and equipment : The Group reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer Note 1(k) below)

Allowance for expected credit losses: The expected credit allowance is based on the ageing of the days receivables which are past due and the rates derived based on past history of defaults in the provision matrix. (Refer Note 41.5)

Fair value of investments: The Group has invested in the equity instruments of various companies. However, the percentage of shareholding of the Group in such investee companies is very low and hence, it has not been provided with future projections including projected statement of profit and loss by those investee companies. Hence, the valuation exercise carried out by the Group with the help of an independent valuer has estimated fair value at each reporting period based on available historical annual reports and other information in the public domain. (Refer Note 41.1)

Income taxes: Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. (Refer Note 38)

(a) II. Principles of Consolidation :

The Consolidated Financial Statements (CFS) comprise the Financial Statements of Deepak Nitrite Limited and its subsidiaries as at March 31, 2025. The consolidated financial statements of the Group have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. The basis for preparing the consolidated financial statements is given below:

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances, cashflows and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies are consistent with the policies adopted by the Group.

In case of foreign subsidiary revenue items are consolidated at the average rate that approximates the actual rate at the date of transaction. All monetary items are translated into Consolidated financial statements at exchange rate in effect at the balance sheet date. Any exchange difference arising on consolidation is recognised in the Consolidated Statement of Profit and Loss.

Profit or Loss and each component of Other Comprehensive Income are attributed to the owners of the Group and to the non-controlling interests. Total Comprehensive Income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Name of Entity	Ownership in % either directly or through subsidiaries		Nature	Country of Incorporation
	2024-25	2023-24		
Deepak Phenolics Limited	100%	100%	Subsidiary	India
Deepak Chem Tech Limited	100%	100%	Subsidiary	India
Deepak Nitrite Corporation, Inc.	100%	100%	Subsidiary	United States of America
Deepak Oman Industries (SFZ) LLC	51%	51%	Subsidiary	Sultanate of Oman
Deepak Project Management Company	100%	100%	Subsidiary	India
Deepak Advanced Materials Limited	100%	-	Subsidiary	India
Narmada Thermal Power Private Limited	100%	-	Step down Subsidiary	India

Changes in ownership interest

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company or financial asset.

(b) Current versus non-current classification

Assets and liabilities are classified as Current or Non-Current as per the provisions of the Schedule III notified under the Companies Act, and the Group's normal operating cycle.

An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle;

(ii) Held primarily for the purpose of trading;

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

A liability is current when:

(i) It is expected to be settled in normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of business and its activities, the Group has ascertained its operating cycle as twelve months for the purpose of Current & Non-Current classification of assets and liabilities.

(c) Revenue Recognition

Sale of Goods:

Revenue from the sale of goods is only recognized – net of Goods & Service Tax, trade discounts and rebates – if the following conditions are met:

- The control of the goods have been transferred to the buyer.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Group.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from Services is recognised in the accounting period in which the services are rendered.

Interest Income:

Interest income from Financial Assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income is measured reliably. Interest income is accrued on time basis, by reference to the principle outstanding and using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

Revenue in respect of other income is recognised to the extent that the Group is reasonably certain of its ultimate realisation.

(d) Leases

As a Lessee

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

The ROU are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates.

As a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(e) Foreign Currency Transactions

In preparing the Consolidated Financial Statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs.

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and option contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Consolidated Statement of profit and loss immediately.

(f) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

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forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

(g) Government Grants

(i) Grants from the Government are not recognised until there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

(ii) Government grants relating to the purchase of property, plant and equipment are deducted from the cost of the machinery and is amortized over its useful life.

(iii) Government grants relating to income are recognised in the Consolidated Statement of Profit and Loss on a Systematic basis over the period necessary to match them with the costs that they are intended to compensate or when the performance obligations are met.

(h) Employee Benefits

(i) Retirement Benefit Costs and Termination Benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans in respect of an approved gratuity plan, the cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each reporting period.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income is reflected in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Consolidated Statement of Profit and Loss.

Past service cost is recognised in Consolidated Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and curtailments and settlements);
- net interest expense or income; and
- remeasurement

The first two components of defined benefit costs are recognised in the Consolidated Statement of Profit and Loss in the line item 'Employee benefits expense'. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

(ii) Short-Term and Other Long-Term Employee Benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the Present value of the estimated future cash outflows expected to be made in respect of services provided by employees up to the reporting date.

(iii) Compensated Absence and Earned Leaves

The Group's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Group measures the expected cost of

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

accumulating compensated absences as the additional amount that the Group expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

(i) Income Taxes

The Company and its Subsidiary, Deepak Phenolics Limited, has elected to exercise option available under section 115BAA of the Income Tax Act, 1961.

Deepak Chem Tech Limited and Deepak Advanced Materials Limited, shall be eligible to claim benefit of lower rate of tax under section 115BAB of the Income Tax Act, 1961.

The income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The 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. 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 realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in the Consolidated 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.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profits.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred 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 tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date 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 utilise those temporary differences and losses.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. 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.

(j) Business Combination

Business Combinations are accounted for using the acquisition method of accounting. The acquisition date is the date on which control is transferred to the acquirer. The consideration transferred for the acquisition of a subsidiary / business acquired through slump sale is comprised of:

i. fair values of the assets transferred;

ii. liabilities incurred to the former owners of the acquired business;

iii. equity interests issued by the Group;

iv. fair value of any asset or liability resulting from a contingent consideration arrangement; and

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Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the:

- sum of consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve."

(k) Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services are stated at cost less accumulated depreciation and accumulated impairment losses if any.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Consolidated Statement of Profit and Loss during the period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as 'Capital Work-in-Progress'.

Depreciation Methods, Estimated Useful Lives and Residual Value:

Depreciation on all tangible assets is provided at the rates and in the manner prescribed by Schedule II to the Companies Act, 2013 and certain components of plant & equipment such as Reactors, Centrifuge, Cooling towers, Air Compressor etc. which are depreciated over its useful life as technically assessed by Independent/ Internal Technical Personnel after taking into consideration past experience of the group, chemical process & chemical industry norms.

Asset Category	Estimated Useful Life
Building	30 years
Plant & Equipment	3 to 40 years
Furniture & Fixture	5 to 10 years
Vehicle	8 years
Office Equipment	2 to 5 years
Road	2 to 10 years

Freehold land is stated at historical cost and is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

In respect of depreciable assets for which Impairment Loss is recognised, depreciation/amortisation is charged on the revised carrying amount over the remaining useful life of the assets computed on the basis of the life prescribed in schedule II to the Companies Act, 2013.

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

Assets held for disposal are classified as Current Assets at lower of its carrying amount and fair value less costs to sell, difference being recognised in the Consolidated Statement of Profit and Loss.

(l) Goodwill

Goodwill represents the cost of the acquired businesses | subsidiary in excess of the fair value of identifiable net assets acquired. Goodwill is not amortised, but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill of the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(m) Intangible Assets

Intangible assets are stated at their original cost of acquisition, less accumulated amortisation and impairment losses, if any. An Intangible Asset is recognised, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured.

The cost of intangible assets is amortised over the estimated useful life, in any case, not exceeding ten years, on a straight-line basis. A detail of estimated useful life is given below:

Asset Category	Estimated Useful Life
Computer Software and related implementation costs	2 to 6 years
Rights to use facilities	5 years
Technical Know How	10 years

(n) Impairment of Tangible and Intangible Assets

The carrying amount of cash generating units/assets is reviewed at the Consolidated Balance Sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the fair value less cost of disposal or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. Impairment loss, if any, is recognised whenever carrying amount exceeds the recoverable amount. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(o) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term deposits (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

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forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

(p) Inventories

Raw materials and components, stores and spares are valued at cost determined on period-moving weighted average basis and are net of Cenvat, VAT & GST. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Group. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and equipment gets classified as inventory.

Finished Goods and Work-in-progress are valued at cost of purchase of raw materials and conversion thereof, including the cost incurred in the normal course of business in bringing the inventories up to the present condition or at the net realisable value, whichever is lower. The inventories of joint products are valued by allocating the costs to the joint products by 'Relative Sales Value' method. By-products are valued at net realisable value.

(q) Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial Assets and Financial Liabilities are initially measured at Fair Value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Consolidated Statement of Profit and Loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income(except for debt instruments that are designated as at fair value through profit or loss on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

(ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Consolidated Statement of Profit and Loss and is included in the "Other Income" line item.

(iii) Investments in Equity Instruments

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

The cumulative gain or loss is not reclassified to Consolidated Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Consolidated Statement of Profit and Loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery a part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Consolidated Statement of Profit and Loss are included in the 'Other income' line item.

(iv) Financial Assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the Other income or Other expenses line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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(v) Impairment of Financial Assets

The Group recognises a loss allowance for Expected Credit Losses (ECL) on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

(vi) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part it continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(vii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Consolidated Statement of Profit and Loss.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange difference on amortised cost are recognised in Consolidated Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

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(r) Financial Liabilities and equity instruments

(i) Classification as Debt and Equity

Debt and Equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(iii) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

a) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' or 'Other expenses' line item.

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However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in Consolidated Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in Consolidated Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in Consolidated Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Consolidated Statement of Profit and Loss.

b) Financial Liabilities subsequently measured at Amortised Cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' or 'Other expenses'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses.

d) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability and the consideration paid and payable is recognised in Consolidated Statement of Profit and Loss.

(s) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(t) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined

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by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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 Group 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 the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

(u) Research and Development Expenditure

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

(v) Earnings Per Share

Basic Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Diluted Earnings per Equity Share are computed by dividing net income by the weighted average number of Equity Shares adjusted for the effects of all dilutive potential Equity Shares. Earnings considered in ascertaining the EPS is the net profit for the period after attributable tax thereto for the period.

(w) Segment Reporting - Basis of Information

The Group has determined 2 (two) reporting Segments, based on the information reviewed by Chief Operating Decision Maker (CODM) as primary segments viz. (i) Advanced Intermediates and (ii) Phenolics.

Inter segment transfer prices are normally negotiated amongst the segments with reference to the costs, market prices and business risks, within an overall optimisation objective of the Group.

Revenue and expenses have been accounted on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on reasonable basis, have been included under “Other unallocable”. Assets and liabilities which relate to the enterprise as a whole but are not allocable to segments on a reasonable basis, have been included under “Unallocable Assets/Liabilities”.

Secondary segment have been identified with reference to geographical location of external customers. Composition of secondary segment is as follows:

(i) India and

(ii) Outside India.

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2. PROPERTY, PLANT AND EQUIPMENT

₹ in Crores

	Freehold Land	Leasehold Land	Building	Plant and Equipment	Furniture and Fixture	Vehicle	Office Equipment	Road	Total	Capital Work-in-Progress
Gross Carrying Amount as at April 01, 2023	**24.10**	**180.73**	**215.28**	**2,171.59**	**13.30**	**17.73**	**8.33**	**23.96**	**2,655.02**	**282.59**
Additions during the year 2023-24	18.10	18.41	134.55	302.73	14.85	4.74	5.62	12.21	511.22	962.73
Deductions during the year 2023-24	-	-	(7.98)	(7.28)	(3.23)	(5.02)	(0.53)	-	(24.04)	(471.81)
Gross Carrying Amount as at March 31, 2024	**42.20**	**199.14**	**341.85**	**2,467.04**	**24.93**	**17.45**	**13.42**	**36.17**	**3,142.20**	**773.51**
Additions during the year 2024-25*	64.38	3.19	9.87	196.48	6.39	4.15	3.27	4.70	292.43	1,182.20
Additions on account of business combination during the year 2024-25 (refer note 50)	20.68	-	33.11	7.93	0.03	0.11	0.04	-	61.90	-
Deductions during the year 2024-25	-	(2.80)	(2.46)	(1.94)	(0.06)	(2.88)	(0.10)	(0.02)	(10.26)	(306.66)
Gross Carrying Amount as at March 31, 2025	**127.26**	**199.52**	**382.37**	**2,669.51**	**31.29**	**18.83**	**16.63**	**40.85**	**3,486.27**	**1,649.05**
Depreciation | Amortisation as at April 01, 2023	**-**	**7.78**	**52.70**	**641.78**	**8.06**	**7.68**	**5.92**	**17.58**	**741.49**	
Depreciation for the year 2023-24	-	2.30	22.29	138.66	2.36	2.13	1.87	1.18	170.78	
Depreciation on disposal during the year 2023-24	-	-	(3.17)	(4.39)	(2.19)	(2.93)	(0.50)	-	(13.18)	
Depreciation | Amortisation as at March 31, 2024	**-**	**10.08**	**71.82**	**776.05**	**8.23**	**6.88**	**7.28**	**18.75**	**899.09**	
Depreciation for the year 2024-25	-	2.32	19.26	160.89	4.44	2.02	1.74	2.49	193.17	
Depreciation on disposal during the year 2024-25	-	(0.30)	(2.12)	(1.69)	(0.04)	(1.93)	(0.11)	-	(6.20)	
Depreciation | Amortisation as at March 31, 2025	**-**	**12.10**	**88.96**	**935.25**	**12.63**	**6.97**	**8.92**	**21.24**	**1,086.07**	
Net Carrying Amount as at March 31, 2024	**42.20**	**189.05**	**270.04**	**1,690.99**	**16.69**	**10.57**	**6.14**	**17.42**	**2,243.11**	**773.51**
Net Carrying Amount as at March 31, 2025	**127.26**	**187.43**	**293.41**	**1,734.26**	**18.65**	**11.86**	**7.72**	**19.61**	**2,400.20**	**1,649.05**

*This also includes addition pertaining to Asset Acquisition (refer note 49)

Notes:

1 Capital work-in-progress mainly comprises addition/expansion projects in progress.

The following table provides CWIP Aging Schedule as at March 31, 2025

₹ in Crores

	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	967.94	547.05	71.62	62.43	1,649.05

The following table provides CWIP Aging Schedule as at March 31, 2024

₹ in Crores

	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	636.10	74.91	24.87	37.63	773.51

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2 Right -to-use assets included in Property, Plant and Equipment

₹ in Crores

	Building	Plant and Equipment	Furniture	Vehicle	Total
Gross Carrying Amount as at April 01, 2023	**22.74**	**1.39**	**1.75**	**4.53**	**30.41**
Additions during the year 2023-24	55.90	-	12.82	-	68.72
Deductions during the year 2023-24	(7.64)	(1.39)	(1.75)	(4.53)	(15.31)
Gross Carrying Amount as at March 31, 2024	**71.00**	**-**	**12.82**	**-**	**83.82**
Additions during the year 2024-25	-	-	-	-	-
Additions on account of business combination during the year 2024-25 (refer note 50)	33.11	-	-	-	33.11
Deductions during the year 2024-25	-	-	-	-	-
Gross Carrying Amount as at March 31, 2025	**104.11**	**-**	**12.82**	**-**	**116.93**
Depreciation | Amortisation as at April 01, 2023	**10.04**	**1.39**	**0.68**	**2.37**	**14.48**
Depreciation for the year 2023-24	12.75	-	1.19	0.18	14.12
Depreciation on disposal during the year 2023-24	(2.99)	(1.39)	(0.80)	(2.55)	(7.73)
Depreciation | Amortisation as at March 31, 2024	**19.80**	**-**	**1.07**	**-**	**20.87**
Depreciation for the year 2024-25	6.40	-	2.56	-	8.96
Depreciation on disposal during the year 2024-25	-	-	-	-	-
Depreciation | Amortisation as at March 31, 2025	**26.20**	**-**	**3.64**	**-**	**29.84**
Net Carrying Amount as at March 31, 2024	**51.20**	**-**	**11.74**	**-**	**62.94**
Net Carrying Amount as at March 31, 2025	**77.91**	**-**	**9.18**	**-**	**87.09**

3 Refer note 19 and 22 for hypothecation / mortgage created on assets of the Group.

4 Building includes ₹ 10.80 Crores (Previous year ₹ 10.80 Crores) in respect of ownership of premises in a co-operative housing society by way of 10 Shares.

5 The Group does not have any projects which are temporarily suspended.

6 Out of the total depreciation, ₹ 5.58 Crores (Previous year ₹ 3.83 Crores) in Deepak Chem Tech Limited, a Wholly Owned Subsidiary and ₹ 1.52 Crores (Previous year ₹ 9.07 Crores) in Deepak Oman Industries (SFZ) LLC, a subsidiary has been allocated to Capital Work-in-Progress.

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3. INTANGIBLE ASSETS

₹ in Crores

	Computer Software	Technical Know how and Others	Total
Gross Carrying Amount as at April 01, 2023	**11.99**	**40.16**	**52.16**
Additions during the year 2023-24	1.42	27.90	29.31
Deductions during the year 2023-24	(0.14)	-	(0.14)
Gross Carrying Amount as at March 31, 2024	**13.27**	**68.06**	**81.33**
Additions during the year 2024-25	0.72	13.51	14.23
Deductions during the year 2024-25	(0.00)	-	(0.00)
Gross Carrying Amount as at March 31, 2025	**13.98**	**81.57**	**95.56**
Depreciation | Amortisation as at April 01, 2023	**7.60**	**16.47**	**24.07**
Depreciation for the year 2023-24	1.23	6.55	7.78
Depreciation on disposal during the year 2023-24	(0.13)	-	(0.13)
Depreciation | Amortisation as at March 31, 2024	**8.70**	**23.02**	**31.72**
Depreciation for the year 2024-25	1.22	8.25	9.47
Depreciation on disposal during the year 2024-25	(0.00)	-	(0.00)
Depreciation | Amortisation as at March 31, 2025	**9.92**	**31.27**	**41.19**
Net Carrying Amount as at March 31, 2024	**4.57**	**45.04**	**49.61**
Net Carrying Amount as at March 31, 2025	**4.06**	**50.30**	**54.37**

4. NON-CURRENT INVESTMENTS

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Investments in Equity Instruments of other companies measured at Fair Value Through Profit or Loss (FVTPL)	0.12	0.14
(b)	Investments in Equity Instruments of other companies measured at Fair Value Through Other Comprehensive Income (FVTOCI)	2.86	2.55
(c)	Investments in Government or Trust Securities measured at amortised cost (Refer Note (b) below)	0.00	0.00
Total		**2.98**	**2.69**

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4. NON-CURRENT INVESTMENTS (Continued)

₹ in Crores

		Face Value	As at March 31, 2025		As at March 31, 2024	
			No. of shares	Amount	No. of shares	Amount
(a)	**Investment in Equity Instruments (fully paid-up)**					
	(i) Other Companies measured at FVTPL					
	Quoted					
	IDBI Bank	₹ 10/-	6,240	0.05	6,240	0.05
	Bank of Baroda	₹ 2/-	3,234	0.07	3,234	0.09
	Unquoted					
	Nandesari Environment Control Limited (represents ₹ 8,000)	₹ 10/-	800	0.00	800	0.00
	Baroda Co-operative Bank Limited (represents ₹ 500)	₹ 50/-	10	0.00	10	0.00
	Shamrao Vitthal Co-op Bank Limited	₹ 25/-	2,000	0.01	2,000	0.01
	New India Co-op Bank Ltd. (represents ₹ 7,980)	₹ 10/-	798	0.00	798	0.00
	(ii) Other Companies measured at FVOCI					
	Unquoted					
	Jeedimetla Effluent Treatment Limited	₹ 100/-	52,342	1.04	52,342	0.80
	Deepak International Limited	GBP 1/-	73,706	0.82	73,706	0.77
	Deepak Gulf LLC	Omani Rial 1/-	45,000	1.00	45,000	0.97
(b)	**Investments in Government or Trust Securities measured at amortised cost**					
	Unquoted					
	National Savings Certificate (represents ₹ 1,000)			0.00		0.00
Total			**1,84,130**	**2.98**	**1,84,130**	**2.69**

1.

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Aggregate amount of Unquoted Investments	2.86	2.56
(b)	Aggregate amount of Quoted Investments	0.12	0.14

5. LOANS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Non-current		
Loans to Employees		
Unsecured, considered good	1.96	2.09
Total-Non-Current	**1.96**	**2.09**
Current		
Loans to Employees		
Unsecured, considered good	1.74	1.11
Total Current	**1.74**	**1.11**

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6. OTHER NON-CURRENT FINANCIAL ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Security Deposits		
Unsecured, considered good	15.52	9.35
Advance for Shares Acquisition*	-	19.25
Total	**15.52**	**28.60**

*Advance paid by one of the subsidiary of the Group to the share holders of Narmada Thermal Power Private Limited for acquisition of shares (Refer note 49).

7. NON-CURRENT TAX ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Non-Current Tax Assets		
Advance Income Tax (Net of provisions)	0.40	4.86
Total	**0.40**	**4.86**

8. DEFERRED TAX ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets		
Carry Forward of Business Losses	11.65	2.17
Total	**11.65**	**2.17**

9. OTHER NON-CURRENT ASSETS

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Capital Advances	59.82	39.89
(b)	Prepaid Expenses	3.38	0.70
(c)	Advance against Salary	1.21	1.28
(d)	Balance with Government Authorities	217.37	106.11
Total		**281.77**	**147.98**

10. INVENTORIES [AT LOWER OF COST AND NET REALISABLE VALUE]

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Raw materials and components	367.86	209.63
	Goods-in-transit	74.39	98.53
		442.26	**308.16**
(b)	Stores and Spares	60.28	52.98
	Sub-Total	**502.53**	**361.14**
(c)	Work-in-progress	92.17	108.22
(d)	Finished goods	324.52	290.07
	Provision for obsolescence	(2.30)	(0.83)
(e)	Stock in Trade	9.47	1.31
	Sub-Total	**423.86**	**398.77**
Total		**926.40**	**759.91**

Refer note 19 and 22 for hypothecation / mortgage created on assets of the Group.

Notes

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11. CURRENT INVESTMENTS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Investments measured at FVTPL (Quoted)		
Investments in Mutual Funds	112.68	119.16
Investments measured at amortised cost		
Investments in Commercial Paper	395.23	-
Total	**507.91**	**119.16**

12. TRADE RECEIVABLES

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good		
(i) Trade Receivables - Others	1,275.52	1,297.34
(ii) Related Parties (Refer Note 36.11)	12.91	8.79
Allowance for credit losses (Refer Note 41.5)	(14.62)	(7.78)
Total	**1,273.81**	**1,298.35**

The credit period on sales of goods varies with business segments/ markets and generally ranges between 7 to 180 days. For financial risk and ageing related to Trade Receivables refer note 41.5 and 41.6.

There is no amount due from directors or other officers of the group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

Refer note 19 and 22 for hypothecation / mortgage created on assets of the Group.

13. CASH AND CASH EQUIVALENTS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
(a) Cash on hand	0.44	0.12
(b) Balances with banks		
In Current accounts	55.07	9.01
In Cash Credit Accounts	-	19.83
Deposit with banks with maturity less than 3 months from the date of acquisition	123.90	209.01
Total	**179.41**	**237.97**

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
(a) Earmarked unpaid dividend accounts	1.76	1.67
(b) Deposits with banks with maturity more than 3 months but less than 12 months	225.18	225.62
(c) Margin Money Deposits		
- Maturity less than 3 months	0.21	0.20
Total	**227.15**	**227.49**

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

15. OTHER CURRENT FINANCIAL ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
(a) Interest Receivable	3.83	1.02
(b) Insurance Claim Receivable (Refer Note 48)	-	54.90
(c) Security Deposits	5.09	5.46
(d) Earnest Money	0.40	0.18
(e) Others	9.25	0.65
Total	**18.56**	**62.21**

16. OTHER CURRENT ASSETS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
(a) Balance with Government Authorities	97.81	93.24
(b) Prepaid Expenses	10.41	11.43
(c) Advances to Suppliers	51.95	30.16
(d) Other Receivables	1.96	0.57
Total	**162.13**	**135.40**

17. EQUITY SHARE CAPITAL

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Authorised:		
15,00,00,000 Equity shares of ₹ 2 each	30.00	30.00
20,00,000 Preference shares of ₹ 100 each	20.00	20.00
Total	**50.00**	**50.00**
Issued, Subscribed and fully paid up:		
13,63,93,041 Equity shares of ₹ 2 each	27.28	27.28
Total	**27.28**	**27.28**

(a) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

	As at Mar 31, 2025		As at Mar 31, 2024	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity Shares				
Shares outstanding at the beginning of the year	13,63,93,041	27.28	13,63,93,041	27.28
Shares outstanding at the end of the year	**13,63,93,041**	**27.28**	**13,63,93,041**	**27.28**

(b) Shares: Terms/Rights

(i) The Company has Authorised capital of Equity and Preference shares.

(ii) Each holder of the Equity Share is entitled to one vote per Share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

(iii) In the event of liquidation of the Company, the holders of Equity Shares shall 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. No preferential amounts exist as on the Balance Sheet date.

(c) Details of shares held by each shareholder holding more than 5% Equity shares of ₹ 2 each fully paid in the Company:

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% holding	No. of Shares	% holding
Shri Deepak Chimanlal Mehta	2,25,35,241	16.52	2,25,35,241	16.52
Stiffen Credits & Capital Pvt. Limited	84,37,840	6.19	84,37,840	6.19
Checkpoint Credits & Capital Pvt. Limited	72,06,050	5.28	72,06,050	5.28
Stepup Credits & Capital Pvt. Limited	69,15,580	5.07	69,15,580	5.07

(d) Details of shares held by Promoters

Promoter Name	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Shri Deepak Chimanlal Mehta	2,25,35,241	16.52	2,25,35,241	16.52	0.00%
Shri Maulik D. Mehta	1,31,300	0.10	1,31,300	0.10	0.00%

18. OTHER EQUITY

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
Reserves & Surplus			
(a)	Retained Earnings	4,827.13	4,234.86
(b)	General Reserve	98.90	98.90
(c)	Capital Reserve	0.71	0.71
(d)	Capital Redemption Reserve	0.15	0.15
(e)	Securities Premium	434.17	434.17
Reserves representing Unrealised Gains/(Losses)			
(f)	Equity instruments through other comprehensive income	0.77	0.55
(g)	Foreign currency translation reserve	(0.44)	-
Total		**5,361.39**	**4,769.34**

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	**Retained Earnings**		
	Balance at beginning of year	4,234.86	3,528.32
	Add: Profit for the year	697.24	810.89
	Add: Remeasurement of Defined Benefit Obligation (Net of tax)	(2.67)	(2.07)
	Less: Payment of Dividend on Equity Shares	102.29	102.29
	Balance at end of year	**4,827.13**	**4,234.86**
	Retained earnings represents the Company's undistributed earnings after taxes.		

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(b)	**General Reserve**		
	Balance at beginning of year	98.90	98.90
	Balance at end of year	**98.90**	**98.90**
	The general reserve is used for purposes as specified under the Companies Act, 2013. Items included in the general reserve will not be reclassified subsequently to the statement of profit and loss as the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.		
(c)	**Capital Reserve**		
	Balance at beginning of year	0.71	0.71
	Balance at end of year	**0.71**	**0.71**
(d)	**Capital Redemption Reserve**		
	Balance at beginning of year	0.15	0.15
	Balance at end of year	**0.15**	**0.15**
	Capital redemption reserve has been created pursuant to the requirements of the Act under which the Group is required to transfer certain amounts on redemption of the debentures. The Group has redeemed the underlying debentures in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.		
(e)	**Securities Premium**		
	Balance at beginning of year	434.17	434.17
	Balance at end of year	**434.17**	**434.17**
	Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium is governed by the Section 52 of the Companies Act, 2013.		
(f)	**Reserve for equity instruments through other comprehensive income**		
	Balance at beginning of year	0.55	0.43
	Add: Gain / (Loss) on revaluation of Equity Instruments (Net of tax)	0.22	0.12
	Balance at end of year	**0.77**	**0.55**
	This reserve represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.		
(g)	**Foreign currency translation reserve**		
	Balance at beginning of year	-	-
	Add: Exchange Differences on translation of foreign operations	(0.44)	-
	Balance at end of year	**(0.44)**	**-**
	Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.		

19. NON-CURRENT BORROWINGS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Term Loans from Banks at amortised cost		
Secured	1,025.71	216.95
Total	**1,025.71**	**216.95**

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

Secured Term Loans:-

Term loan amounting ₹ 982.97 Crore from Banks are secured by an exclusive charge by way of hypothecation of all the movables including movable plant and machinery pertaining to the Project of one of the subsidiary.

The assets stated herein are disclosed under note 2, 10 and 12.

Repayment Schedule:-

a. Term loan amounting ₹ 982.97 Crore is repayable on quarterly basis starting from June, 2026.

b. Term loan amounting ₹ 42.74 Crore is repayable on quarterly basis starting from March, 2028.

Interest Rate Condition:-

Interest Rate of Secured Term Loan amounting ₹ 982.97 Crore for Dahej and Nandesari plants of one of the subsidiary is linked with MCLR plus spread ranging from 0.10% to 0.15% p.a.

Interest Rate of Secured Term Loan amounting ₹ 42.74 Crore is linked with SOFR plus 2.85% p.a.

20. PROVISIONS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Non-current		
Provision for Employee benefit obligations		
Provision for leave benefits (Refer Note 39 (B))	39.76	34.24
Provision for Gratuity (Refer Note 39 (A)(iii))	3.40	1.39
Total-Non-Current	**43.16**	**35.63**
Current		
Provision for Employee benefit obligations		
Provision for leave benefits (Refer Note 39 (B))	11.00	7.71
Provision for Gratuity (Refer Note 39 (A)(iii))	7.88	9.72
Total-Current	**18.88**	**17.43**

21. DEFERRED TAX LIABILITIES (NET)

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	**Break up of deferred tax liability as at year end:**		
	Nature of temporary difference		
	Property, Plant and Equipment	234.47	187.66
	Unrealised Gain on Investments	0.53	0.02
	Total Deferred Tax Liability (a)	**235.00**	**187.68**
(b)	**Break up of deferred tax asset as at year end:**		
	Nature of temporary difference		
	Disallowances u/s 43B, Provisions and Others	22.22	14.06
	Total Deferred Tax Asset (b)	**22.22**	**14.06**
	Deferred Tax Liabilities (Net) (a-b)	**212.78**	**173.62**

Refer note 38C for movement in Deferred Tax Assets and Liabilities.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

22. CURRENT BORROWINGS

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Working Capital Borrowings from Banks		
Secured	144.82	-
Total	**144.82**	**-**

(i) Working Capital borrowings from banks represent Cash Credit and Working Capital Demand Loan with rate of interest as MCLR of respective banks plus spread ranging from 0% to 1.25% p.a. These borrowings are repayable on demand.

(ii) Working Capital borrowings are secured by way of first Hypothecation charge over Group's Raw Materials, Semi-Finished and Finished Goods, Consumable Stores and Book Debts. The assets stated herein are disclosed under note no. 10 and 12.

23. TRADE PAYABLES

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	To outstanding dues of Micro Enterprises and Small Enterprises	64.92	32.77
(b)	To outstanding dues of creditors other than Micro Enterprises and Small Enterprises	456.85	504.89
Total		**521.77**	**537.66**

The average credit period on goods purchased or services received ranges between 30 days to 180 days. For ageing related to Trade Payables refer note 41.5.

24. OTHER CURRENT FINANCIAL LIABILITIES

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Security Deposits	8.29	8.31
(b)	Investor Education and Protection Fund will be credited by following amounts (as and when due)		
	Unpaid Dividend	1.76	1.67
(c)	Payable for capital expenditure	116.27	106.83
(d)	Interest accrued but not due on Borrowings	3.82	-
(e)	Accrued Employee Benefit Expense	45.86	44.60
(f)	Others	8.64	10.78
Total		**184.64**	**172.19**

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

25. OTHER CURRENT LIABILITIES

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(a)	Advances received from Customers	12.17	20.17
(b)	Statutory Dues	20.02	23.32
Total		**32.20**	**43.49**

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

26. CURRENT TAX LIABILITIES

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Current Tax Liabilities		
Provision for Tax (Net of Advances)	12.57	7.44
Total	**12.57**	**7.44**

27. REVENUE FROM OPERATIONS

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Sale of Products	8,091.42	7,603.11
(b)	Sale of Services	0.06	6.81
(c)	Other Operating Revenue		
	Export Incentives	24.19	19.09
	Scrap Sale	4.65	7.70
	Others (Refer note below)	161.61	45.12
Total		**8,281.93**	**7,681.83**

Reconciliation of sales of products

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contracts with customer	8,150.60	7,674.26
Adjustments made to contract price on account of discounts and rebates	59.18	71.15
	8,091.42	**7,603.11**

Refer Note 12 - Trade Receivables to the Consolidated Financial Statements for the amount of contract assets outstanding as at March 31, 2025 and refer to details of Advance received from Customers in Note 25 - Other Current Liabilities to the Consolidated Financial Statements for the contract liabilities outstanding as at March 31, 2025.

Note: Others in Other Operating Revenue includes government incentive income recognized amounting to ₹161.18 Crores during the year ended March 31, 2025, while ₹38.47 Crores were recognised for year ended March 31, 2024.

28. OTHER INCOME

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Foreign Exchange Gain	-	0.29
(b)	Cash Discount	4.14	3.63
(c)	Gain on redemption of Investments	22.71	30.89
(d)	Interest Income	36.48	4.35
(e)	Rent	1.48	0.05
(f)	Fair Value Gains on Financial Assets	2.10	0.14
(g)	Gain on sale of Property, Plant and Equipment	0.22	2.42
(h)	Writebacks and Other Recoveries	3.72	27.69
(i)	Other Non-Operating Revenue	13.02	6.64
Total		**83.86**	**76.10**

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

29. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Cost of Raw Material and Components Consumed	5,640.96	5,009.94
(b) Cost of Packing Material Consumed	40.20	46.15
Total	**5,681.16**	**5,056.09**

30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Work-in-Progress	108.22	103.83
Finished Goods	290.07	312.99
Traded Goods	1.31	85.77
	399.60	**502.59**
Addition on account of business combination (Refer Note 50)		
Work-in-Progress	0.20	-
Finished Goods	1.46	-
	1.66	**-**
Less:		
Inventories at the end of the year		
Work-in-Progress	92.17	108.22
Finished Goods	324.52	290.07
Stock-in-Trade	9.47	1.31
	426.16	**399.60**
Total	**(24.90)**	**102.99**

31. EMPLOYEE BENEFITS EXPENSE

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salaries & Wages	345.60	312.13
(b) Contribution to Provident Fund and other funds (Refer Note 39C)	20.05	17.19
(c) Gratuity Expenses (Refer Note 39A(iv))	5.65	4.64
(d) Staff Welfare Expenses	20.85	17.09
Total	**392.15**	**351.05**

32. POWER & FUEL EXPENSES

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Consumption of Power	190.89	172.99
(b) Consumption of Fuel and other utilities	272.63	284.13
Total	**463.52**	**457.12**

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

33. FINANCE COSTS

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Interest on Borrowings	23.25	9.74
(b)	Interest cost on lease liabilities	4.25	2.01
(c)	Interest on Income Tax	-	0.08
Total		**27.50**	**11.83**

34. DEPRECIATION AND AMORTISATION EXPENSES

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Depreciation on Property, Plant and Equipment	181.34	153.91
(b)	Depreciation on Right-of-use Assets	5.87	4.37
(c)	Amortisation of Intangible Assets	8.15	7.38
Total		**195.37**	**165.66**

35. OTHER EXPENSES

₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Conversion Charges	19.72	15.50
(b)	Other Manufacturing Expenses	20.82	16.36
(c)	Rent	11.18	7.56
(d)	Repairs & Maintenance		
	Repairs to Building	1.94	1.91
	Repairs and maintenance to Plant and Equipment	74.12	74.59
	Repairs and maintenance to Others	3.30	2.89
(e)	Consumption of stores & spare parts	16.42	20.93
(f)	Insurance	28.96	32.20
(g)	Rates & taxes	5.16	3.71
(h)	Bank Charges	3.30	3.27
(i)	Travelling & Conveyance	10.19	7.44
(j)	Freight & Forwarding Charges	194.70	179.93
(k)	Commission on sales	4.91	4.57
(l)	CSR Expenses (Refer note 46)	25.38	26.19
(m)	Provision for Doubtful Debts (Net)	6.84	-
(n)	Donation (Refer note below)	0.00	10.71
(o)	Bad Debts written off	-	1.69
(p)	Vehicle Expenses	9.17	8.34
(q)	Legal & Professional Expenses	14.99	16.23
(r)	General Expenses	83.74	74.93
(s)	Payment to Auditor	1.69	1.19
(t)	Director's Sitting Fees	0.62	0.57
(u)	Other Directors Commission	3.05	3.57
(v)	Provision for Inventory Obsolescence	1.47	-
(w)	Foreign Exchange Loss	4.93	-
Total		**546.61**	**514.28**

Note: Previous financial year includes contribution to a political party amounting to ₹ 10 crores paid via Cheque.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

36. RELATED PARTIES DISCLOSURES

A) Name of Related Party and nature of relationship

(i) Key Management Personnel

Shri Deepak Mehta	Chairman & Managing Director
Shri Maulik Mehta	Executive Director & Chief Executive Officer
Shri Sanjay Upadhyay	Director Finance & Group CFO
Shri Girish Satarkar	Executive Director
Shri Somsekhar Nanda	Chief Financial Officer
Shri Ajay Mehta	Non-Executive Director
Shri Meghav Mehta	Non-Executive Director
Smt. Purvi Sheth	Independent Director
Shri Sanjay Asher	Independent Director
Shri Dileep Choksi	Independent Director
Shri Prakash Samudra	Independent Director
Shri Punit Lalbhai	Independent Director
Shri Vipul Shah	Independent Director

(ii) Entities over which key managerial personnel or their relatives are able to exercise control or significant Influence

Check Point Credits & Capital Private Limited * Deepak Cybit Private Limited * Deepak Fertilizers and Petrochemicals Corporation Limited *Deepak Gulf LLC, Sultanate of Oman* Deepak Foundation * Deepak International Limited * Deepak Medical Foundation * Deepak Research and Development Foundation * Deepak Novochem Technologies Limited. * Forex Leafin Private Limited * Hardik Leafin Private Limited * Mahadhan Agritech Limited * Performance Chemiserve Limited * Pranawa Leafin Private Limited * Skyrose Finvest Private Limited * Stepup Credits & Capital Private Limited * Stiffen Credits and Capital Private Limited * Stigma Credits & Capital Private Limited * Storewell Credits and Capital Private Limited * Sundown Finvest Private Limited

(iii) Others (common directors)

Arvind Envisol Limited

(iv) Relative of Key Management Personnel

Late. Shri Chimanlal Mehta

Smt. Ila Mehta

Shri Prahaan Mehta

Shri Aadya Mehta

Shri Ahana Mehta

Shri Sahay Mehta

Notes

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Transactions with the Related Parties

₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025				March 31, 2024			
		Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & others	Relative of Key Management Personnel	TOTAL	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & others	Relative of Key Management Personnel	TOTAL
1	**Purchase of Goods**								
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	70.21	-	**70.21**	-	56.19	-	**56.19**
	Deepak Novochem Technologies Limited	-	0.05	-	**0.05**	-	0.05	-	**0.05**
	Arvind Envisol Limited	-	2.09	-	**2.09**	-	1.36	-	**1.36**
	Performance Chemiserve Limited	-	23.77	-	**23.77**	-	21.75	-	**21.75**
	Mahadhan Agritech Limited	-	-	-	**-**	-	5.27	-	**5.27**
2	**Sale of Goods / Services**								
	Deepak Novochem Technologies Limited	-	27.66	-	**27.66**	-	21.88	-	**21.88**
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	2.95	-	**2.95**	-	-	-	**-**
	Hyspec Chemicals Private Limited	-	0.02	-	**0.02**	-	-	-	**-**
3	**Conversion Charges Received**								
	Deepak Novochem Technologies Limited	-	-	-	**-**	-	6.81	-	**6.81**
4	**Rendering of Services / Reimbursement of Expenses**								
	Deepak Novochem Technologies Limited	-	0.07	-	**0.07**	-	0.05	-	**0.05**
	Deepak Foundation	-	-	-	**-**	-	0.04	-	**0.04**
	Hyspec Chemicals Private Limited	-	2.30	-	**2.30**	-	-	-	**-**
5	**Receiving of services / Reimbursement of Expenses**								
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	0.22	-	**0.22**	-	0.37	-	**0.37**
	Deepak Foundation	-	0.12	-	**0.12**	-	0.06	-	**0.06**
	Deepak Medical Foundation	-	0.17	-	**0.17**	-	0.19	-	**0.19**
	Deepak Cybit Private Limited	-	1.93	-	**1.93**	-	1.88	-	**1.88**
	Stepup Credits And Capital Private Limited	-	-	-	**-**	-	0.36	-	**0.36**
	Arvind Envisol Limited	-	-	-	**-**	-	0.11	-	**0.11**
	Smt. Ila Mehta	-	-	0.66	**0.66**	-	-	0.05	**0.05**
	Sara Consultants	-	0.36	-	**0.36**	-	0.36	-	**0.36**
	Checkpoint Credit & Capital Private Limited	-	-	-	**-**	-	0.22	-	**0.22**
6	**Managerial Remuneration**								
	Shri Deepak Mehta	26.61	-	-	**26.61**	25.54	-	-	**25.54**
	Shri Maulik Mehta	5.14	-	-	**5.14**	4.41	-	-	**4.41**
	Shri Sanjay Upadhyay	6.24	-	-	**6.24**	5.57	-	-	**5.57**

Notes

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₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025				March 31, 2024			
		Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & others	Relative of Key Management Personnel	TOTAL	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & others	Relative of Key Management Personnel	TOTAL
	Shri Girish Satarkar	2.43	-	-	**2.43**	1.45	-	-	**1.45**
	Shri Somsekhar Nanda	2.11	-	-	**2.11**	1.84	-	-	**1.84**
	Commission and Sitting fees to Non-Executive / Independent Directors	5.01	-	-	**5.01**	5.69	-	-	**5.69**
7	**Dividend Paid**								
	Checkpoint Credits & Capitals Private Limited	-	5.40	-	**5.40**	-	5.40	-	**5.40**
	Stigma Credits & Capital Private Limited	-	4.64	-	**4.64**	-	4.64	-	**4.64**
	Stiffen Credits & Capital Private Limited	-	6.33	-	**6.33**	-	6.33	-	**6.33**
	Stepup Credits & Capital Private Limited	-	5.19	-	**5.19**	-	5.19	-	**5.19**
	Skyrose Finvest Private Limited	-	2.87	-	**2.87**	-	2.87	-	**2.87**
	Pranawa Leafin Private Limited	-	1.73	-	**1.73**	-	1.73	-	**1.73**
	Forex Leafin Private Limited	-	1.63	-	**1.63**	-	1.63	-	**1.63**
	Sundown Finvest Private Limited	-	0.62	-	**0.62**	-	0.62	-	**0.62**
	Storewell Credits and Capital Private Limited	-	0.67	-	**0.67**	-	0.67	-	**0.67**
	Hardik Leafin Private Limited	-	0.26	-	**0.26**	-	0.26	-	**0.26**
	Deepak Novochem Technologies Limited	-	3.49	-	**3.49**	-	3.49	-	**3.49**
	Shri Deepak Mehta	16.90	-	-	**16.90**	16.39	-	-	**16.39**
	Late. Shri Chimanlal Mehta	-	-	-	**-**	-	-	0.53	**0.53**
	Shri Maulik Mehta	0.10	-	-	**0.10**	0.10	-	-	**0.10**
	Shri Meghav Mehta	0.04	-	-	**0.04**	0.04	-	-	**0.04**
	Smt Ila Mehta	-	-	0.41	**0.41**	-	-	0.30	**0.30**
	Shri Prahaan Mehta	-	-	0.03	**0.03**	-	-	-	**-**
	Shri Aadya Mehta	-	-	0.03	**0.03**	-	-	-	**-**
	Shri Ahana Mehta	-	-	0.03	**0.03**	-	-	-	**-**
	Shri Sahay Mehta	-	-	0.02	**0.02**	-	-	-	**-**
	Others	0.00	-	0.00	**0.00**	-	-	0.08	**0.08**
8	**Donation / CSR Activity**								
	Deepak Foundation	-	21.12	-	**21.12**	-	19.61	-	**19.61**
	Deepak Medical Foundation	-	0.90	-	**0.90**	-	0.84	-	**0.84**

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₹ in Crores

Sr. No.	Nature of Transaction	March 31, 2025				March 31, 2024			
		Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & others	Relative of Key Management Personnel	TOTAL	Key Management Personnel	Entities over which key managerial personnel or their relatives are able to exercise control or significant influence & others	Relative of Key Management Personnel	TOTAL
9	**Deposit Paid**								
	Smt. Ila Mehta	-	-	-	**-**	-	0.18	-	**0.18**
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	0.03	-	**0.03**	-	-	-	**-**
10	**Deposit Received**								
	Stepup Credits & Capital Private Limited	-	-	-	**-**	-	0.18	-	**0.18**
	Deepak Novochem Technologies Limited	-	-	-	**-**	-	0.01	-	**0.01**
11	**Net Accounts Receivable incl advance / (Payable)**								
	Deepak Fertilisers & Petrochemicals Corporation Limited	-	(1.75)	-	**(1.75)**	-	(4.93)	-	**(4.93)**
	Deepak Novochem Technologies Limited	-	12.71	-	**12.71**	-	8.79	-	**8.79**
	Arvind Envisol Limited	-	(2.09)	-	**(2.09)**	-	(0.12)	-	**(0.12)**
	Mahadhan Agritech Limited	-	-	-	**-**	-	(0.82)	-	**(0.82)**
	Shri Deepak Mehta	(18.00)	-	-	**(18.00)**	-	-	-	**-**
	Shri Maulik Mehta	(0.93)	-	-	**(0.93)**	(0.99)	-	-	**(0.99)**
	Shri Sanjay Upadhyay	(1.15)	-	-	**(1.15)**	(1.22)	-	-	**(1.22)**
	Shri Girish Satarkar	(0.25)	-	-	**(0.25)**	(0.21)	-	-	**(0.21)**
	Shri Somsekhar Nanda	(0.23)	-	-	**(0.23)**	(0.25)	-	-	**(0.25)**
	Smt. Ila Mehta	-	-	(0.15)	**(0.15)**	-	-	(0.02)	**(0.02)**
	Commission and Sitting fees to Non-Executive / Independent Directors	(1.75)	-	-	**(1.75)**	(2.30)	-	-	**(2.30)**
	Deepak Medical Foundation	-	(0.00)	-	**(0.00)**	-	-	-	**-**
	Deepak Cybit Private Limited	-	(0.12)	-	**(0.12)**	-	(0.12)	-	**(0.12)**
	Sara Consultants	-	(0.10)	-	**(0.10)**	-	-	-	**-**
	Performance Chemiserve Limited	-	0.20	-	**0.20**	-	-	-	**-**
	Deepak Foundation	-	(0.01)	-	**(0.01)**	-	0.01	-	**0.01**

The amounts outstanding are current, unsecured and will be settled in cash or cash equivalents, for which no guarantees have been given or received. No expense has been recognised in current or previous year for bad or doubtful debts in respect of the amounts owed by related parties.

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37. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
I.	**Claims against the Group not acknowledged as debts in respects of**		
(a)	Matters relating to Sales Tax/VAT from FY 2010-11 to FY 2014-15 is being contested at various level of Indirect Tax authorities	0.53	0.53
(b)	Matters relating to Goods and Service Tax is being contested at various level of Indirect Tax authorities	-	4.61
(c)	Disputed Labour Matters	Amount not ascertainable	
	Management is not expecting any future cash outflow in respect of (a), (b) & (c).		
	Total (I)	**0.53**	**5.14**
II.	**Commitments**		
	Capital Commitments (Net of Advances: Refer Note 9 (a))	769.38	603.79
	Total (II)	**769.38**	**603.79**

38. TAX EXPENSE

A. Income Tax Expense Recognised in the Consolidated Statement of Profit and Loss

₹ in Crores

		For the Year March 31, 2025	For the Year March 31, 2024
I.	**Expense / (Benefit) recognised in the consolidated statement of profit and loss**		
	Current tax on profit for the year	228.33	273.10
	Increase in deferred tax liabilities	27.05	17.73
	Total	**255.38**	**290.83**
II.	**Expense / (Benefit) recognised in consolidated statement of other comprehensive income**		
	Re-measurement gains / (losses) on defined benefit plans	(0.94)	(0.71)
	Equity instruments through other comprehensive income	0.08	0.04
	Total	**(0.86)**	**(0.67)**

B. The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

₹ in Crores

	For the Year March 31, 2025	For the Year March 31, 2024
Profit before taxes	**952.75**	**1,101.72**
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**239.79**	**277.28**
Effect of:		
Donations and CSR Expense	6.44	9.53
Others (Net)	9.16	4.02
Total income tax expense	**255.38**	**290.83**

Notes

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C. Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities/ (assets)

₹ in Crores

	As at March 31, 2025	Recognised in standalone statement of profit and loss /OCI	As at March 31, 2024	Recognised in standalone statement of profit and loss /OCI	As at April 01, 2023
Property, plant and equipment	234.47	46.81	187.66	17.34	170.32
Insurance claim receivable on account of loss of inventory	-	-	-	(8.10)	8.10
Unrealised Gain on Investments	0.53	0.51	0.02	(2.26)	2.28
Total deferred tax liabilities (a)	**235.00**	**47.32**	**187.68**	**6.98**	**180.70**
Disallowances u/s 43B, Provision and Others	33.88	17.65	16.23	(8.00)	24.23
Total deferred tax assets (b)	**33.88**	**17.65**	**16.23**	**(8.00)**	**24.23**
Net deferred tax (asset)/liabilities (a-b)	**201.12**	**29.67**	**171.45**	**14.98**	**156.47**

39. EMPLOYEE BENEFIT OBLIGATIONS

A. Gratuity

The Group has covered its Gratuity Liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by Life Insurance Corporation of India except Deepak Chem Tech Limited, a Wholly Owned Subsidiary, which has unfunded gratuity plan. Under these plans, an employee at retirement is eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is the Plan Asset.

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	57.47	48.97
Current Service Cost	6.22	4.70
Interest Cost	4.15	3.67
Actuarial (gain)/losses	3.58	2.49
Benefits Paid	(2.31)	(2.41)
Liability Transferred In	1.06	0.31
Liability Transferred (Out)	(0.96)	(0.26)
Balance at the end of the year	**69.21**	**57.47**

(ii) Reconciliation of opening and closing balances of Fair Value of Plan Assets

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	46.36	40.82
Interest Income	3.34	3.06
Return on Plan Assets	(0.03)	(0.28)
Contribution by the Group	10.57	5.17
Benefits Paid	(2.31)	(2.41)
Balance at the end of the year	**57.93**	**46.36**
Actual Return on Plan Assets	6.78% to 6.96%	7.21% to 7.23%

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

(iii) Assets and Liabilities Recognised in the Consolidated Balance Sheet

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Present Value of Defined Benefit Obligation	69.21	57.47
Less: Fair Value of Plan Assets	57.93	46.36
Amounts recognised as liability	**11.28**	**11.11**
Recognised under:		
Current Provision (Refer Note 20)	7.88	9.72
Non-Current Provision (Refer Note 20)	3.40	1.39
Total	**11.28**	**11.11**

(iv) Expenses recognised in the Consolidated Statement of Profit and Loss

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
Current Service Cost	6.22	4.70
Net Interest Cost	0.81	0.61
Project related transferred to CWIP	(1.38)	(0.66)
Total Expenses (Refer Note 31)	**5.65**	**4.64**

(v) Expenses recognised in the Other Comprehensive Income

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
Actuarial gain/(losses) on Obligation for the year	(3.58)	(2.49)
Return on Plan assets excluding Interest Income	(0.03)	(0.28)
Total Expenses recognised in OCI	**(3.61)**	**(2.78)**

(vi) Major Category of Plan Assets

	As at Mar 31, 2025		As at Mar 31, 2024	
	₹ in Crores	%	₹ in Crores	%
Insurance Policies	57.93	100.00	46.36	100.00

Risk exposure

The Group is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(vii) Actuarial Assumptions

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Discount Rate	6.92%	7.23%
Expected Return on Plan Assets	6.92%	7.23%
Salary Growth Rate	8.00%	8.00%
Attrition Rate	2.00%	2.00%

(viii) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

	Change in assumptions		Impact on defined benefit obligation			
			Increase		Decrease	
	March 31, 2025	March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	%	%	₹ in Crores	₹ in Crores	₹ in Crores	₹ in Crores
Discount Rate	1.00%	1.00%	(4.83)	(3.84)	5.71	4.50
Salary Growth Rate	1.00%	1.00%	5.52	4.38	(4.79)	(3.82)
Attrition Rate	1.00%	1.00%	(0.58)	(0.34)	0.65	0.38

In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit liability as recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the prior year.

(ix) Maturity profile of Defined Benefit Obligation

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Within the next 12 months	16.99	13.01
From 2 to 5 years	16.71	16.61
From 6 to 10 years	23.21	20.01
Beyond 10 years	86.71	69.93

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B. Leave Benefit

(a) The Leave Benefit is wholly unfunded. Hence, there are no plan assets attributable to the obligation.

(b) The accumulated balance of Leave Benefit (unfunded) provided in the books as at March 31, 2025 is ₹ 50.76 Crores (Previous year ₹ 41.95 Crores), which is determined on actuarial basis using Projected Unit Credit Method.

C. Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Consolidated Statement of Profit and Loss, for the year is as under

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
Employer's Contribution to Provident Fund and other funds except superannuation	17.00	14.46
Employer's Contribution to Superannuation Fund	3.05	2.74
Total (Refer note 31)	**20.05**	**17.20**

40. CAPITAL MANAGEMENT

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business.

The Group focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Group.

For the purpose of Capital Management, the Group considers the following components of its Balance Sheet to manage capital.

The capital structure of the Group was as follows

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Total Equity (A)	5,424.66	4,822.68
Non-Current Borrowings	1,025.71	216.95
Current Borrowings	144.82	-
Total Borrowings (B)	1,170.53	216.95
Total Capital (A+B)	**6,595.19**	**5,039.63**
Total Borrowings as % of Total Capital	17.75%	4.30%
Total Borrowings as % of Total Equity	21.58%	4.50%

The Interest Coverage Ratio for the reporting period was as follows

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
EBITDA (excluding other income & exceptional item)	1,087.51	1,121.19
Finance Cost (excluding interest on lease)	23.25	9.74
Interest Coverage Ratio	**46.77**	**115.11**

The Debt Service Coverage Ratio for the reporting period was as follows

₹ in Crores

	For the year March 31, 2025	For the year March 31, 2024
EBITDA (excluding other income)	1,087.51	1,121.19
Finance Cost (excluding interest on lease)	23.25	9.74
Repayment of Non-Current Borrowings	0.00	49.02
Debt Service Coverage Ratio	**46.77**	**19.08**

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41. FINANCIAL INSTRUMENTS

41.1. Categories of financial instruments

The carrying value of financial instruments by categories as at March 31, 2025 is as follows

₹ in Crores

	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total
Financial Assets				
Cash and Cash Equivalents	-	-	179.41	179.41
Other Balances with Banks	-	-	227.15	227.15
Investments in Equity Instruments & Mutual Funds (Refer Note 4(a) & 11)	2.86	112.81	-	115.67
Investments in Commercial Paper (Refer Note 11)	-	-	395.23	395.23
Government Securities (Refer Note 4(b))	-	-	0.00	0.00
Trade receivables	-	-	1,273.81	1,273.81
Loans	-	-	3.70	3.70
Other financial assets	-	-	34.08	34.08
Total	**2.86**	**112.81**	**2,113.38**	**2,229.04**
Financial Liabilities				
Current Borrowings	-	-	144.82	144.82
Non-Current Borrowings	-	-	1,025.71	1,025.71
Trade Payables	-	-	521.77	521.77
Other financial liabilities	-	-	281.11	281.11
Total	**-**	**-**	**1,973.41**	**1,973.41**

The carrying value of financial instruments by categories as at March 31, 2024 is as follows

₹ in Crores

	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total
Financial Assets				
Cash and Cash Equivalents	-	-	237.97	237.97
Other Balances with Banks	-	-	227.49	227.49
Investments in Equity Instruments & Mutual Funds (Refer Note 4(a) & 11)	2.55	119.30	-	121.85
Government Securities (Refer Note 4(b))	-	-	0.00	0.00
Trade receivables	-	-	1,298.35	1,298.35
Loans	-	-	3.20	3.20
Other financial assets	-	0.65	90.16	90.81
Total	**2.55**	**119.95**	**1,857.17**	**1,979.67**
Financial Liabilities				
Current Borrowings	-	-	-	-
Non-Current Borrowings	-	-	216.95	216.95
Trade Payables	-	-	537.66	537.66
Other financial liabilities	-	10.78	230.54	241.32
Total	**-**	**10.78**	**985.15**	**995.93**

The assets and liabilities which are valued at amortised cost represents Fair Value at period end.

41.2. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

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

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

Fair Value Hierarchy as at March 31, 2025

₹ in Crores

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	112.81	-	2.86	115.67
Other financial assets	-	-	-	-

Fair Value Hierarchy as at March 31, 2024

₹ in Crores

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	119.30	-	2.55	121.85
Other financial assets	-	0.65	-	0.65

Reconciliation of Level 3 fair value measurements

₹ in Crores

	Investment in unquoted shares irrevocably designated as FVTOCI
Balance as on April 01, 2023	**2.39**
Total gains in other comprehensive income	0.16
Balance as on March 31, 2024	**2.55**
Total gains in other comprehensive income	0.30
Balance as on March 31, 2025	**2.85**

Comparative Market Multiples method has been used for estimating the fair value of such Investment. The fair valuation estimates are based on historical annual accounts/annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee companies including projections about their profitability, balance sheet status and cash flow expectations are not available.

41.3. Financial Risk Management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts and option contracts to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

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Item	Primarily effected by	Risk management policies	Reference
Market risk - currency risk	Foreign Currency balances and exposure towards trade payables, exports, short-term and long-term borrowings	The Group hedges its foreign currency risk using foreign exchange forward contracts and option contracts after considering the natural hedge.	Note 41.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; cash management policies	Note 41.4.2
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations.	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 41.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 41.6

41.4 Market Risk

The Group's financial instruments are exposed to market rate changes. The Group is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

41.4.1 Foreign Currency Risk management

The Group is exposed to foreign exchange risk on account of following:

1. Imports of raw materials and services.
2. Exports of finished goods.
3. Foreign currency Non Resident borrowings availed for meeting its funding requirements.

The Group has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts and option contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Group follows netting principle for managing the foreign exchange exposure.

Notes

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(a) The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD (Crores)	2.64	0.76	2.60	3.63
INR (Crores)	226.11	63.31	222.90	302.38
EURO (Crores)	0.01	0.03	0.48	0.13
INR (Crores)	0.75	2.79	44.46	11.76
GBP (Crores)	-	-	0.01	-
INR (Crores)	-	-	1.42	-
CNY (Crores)	-	-	1.33	-
INR (Crores)	-	-	15.60	-
CHF (Crores)	-	0.00	0.00	-
	-	(Represents CHF 14,221)	(Represents CHF 26.95)	
INR (Crores)	-	0.13	0.00	-
			(Represents INR 2610)	

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

(b) Foreign currency forward contracts and option contracts outstanding as at the Balance Sheet date:

	As at Mar 31, 2025		As at Mar 31, 2024	
	Buy	Sell	Buy	Sell
Forward Contracts (USD Crores)	1.84	0.10	0.04	2.21
Forward Contracts (EURO Crores)	-	0.12	-	-
Forward Contracts (CHF Crores)	0.03	-	0.02	-
Range Forward (USD Crores)	-	0.71	-	0.30

The forward contracts and option contracts have been entered into to hedge the foreign currency risk on trade receivables and trade payables.

(c) Net open exposures outstanding as at the Balance Sheet date:

Currency	Liabilities		Assets	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD (Crores)	-	-	1.00	0.39
EURO (Crores)	-	-	0.36	0.10
GBP (Crores)	-	-	0.01	-
CNY (Crores)	-	-	1.33	-
CHF (Crores)	-	0.02	0.03	-

(d) Foreign currency sensitivity analysis

The Group is mainly exposed to fluctuations in US Dollar. The following table details the Group's sensitivity to a ₹ 1 increase and decrease against the US Dollar. ₹ 1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹ 1 change in foreign currency rates. A positive number below indicates an increase in profit where the Rupee strengthens by ₹ 1 against the US Dollar. For a ₹ 1 weakening against the US Dollar, there would be a comparable impact on the profit before tax.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

₹ in Crores

Currency USD Impact on profit or loss	As at March 31, 2025	As at March 31, 2024
Impact of ₹ 1 strengthening against US Dollar	0.74	(1.16)
Impact of ₹ 1 weakening against US Dollar	(0.12)	(0.12)

41.4.2 Interest Rate Risk management

The Group draws working capital demand loans, avails cash credit, foreign currency borrowings etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

41.5 Credit Risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment through third party experts. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken upon case to case basis.

The Group measured the loss allowance for receivables based on the management estimate and judgment, credit risk and consequential default considering emerging situations due to COVID-19.

The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The table below provides aging of trade receivables as at March 31, 2025

₹ in Crores

Particulars	Undisputed Trade Receivables – considered good	Undisputed Trade Receivables – which have significant increase in credit risk	Undisputed Trade Receivables – credit impaired	Total
Not Due	1,051.81	-	-	1,051.81
Less than 6 months	218.30	-	-	218.30
6 months - 1 year	12.71	-	-	12.71
1 - 2 years	2.31	-	-	2.31
2-3 years	0.25	-	-	0.25
More than 3 years	3.05	-	-	3.05
Sub-Total	**1,288.43**	**-**	**-**	**1,288.43**
Less: Allowance for Credit Loss	14.62	-	-	14.62
Total (Refer Note 12)	**1,273.81**	**-**	**-**	**1,273.81**

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

The table below provides aging of trade receivables as at March 31, 2024

₹ in Crores

Particulars	Undisputed Trade Receivables – considered good	Undisputed Trade Receivables – which have significant increase in credit risk	Undisputed Trade Receivables – credit impaired	Total
Not Due	1,075.90	-	-	1,075.90
Less than 6 months	224.22	-	-	224.22
6 months - 1 year	2.41	-	-	2.41
1 - 2 years	0.48	-	-	0.48
2-3 years	0.80	-	-	0.80
More than 3 years	2.32	-	-	2.32
Sub-Total	**1,306.13**	**-**	**-**	**1,306.13**
Less: Allowance for Credit Loss	7.78	-	-	7.78
Total (Refer Note 12)	**1,298.35**	**-**	**-**	**1,298.35**

Reconciliation of loss allowance provision - Trade receivables

	₹ in Crores
Loss allowance as at April 01, 2023	**35.39**
Changes in loss allowance	(27.61)
Loss allowance as at March 31, 2024	**7.78**
Changes in loss allowance	6.84
Loss allowance as at March 31, 2025	**14.62**

The table below provides aging of trade payables as at March 31, 2025

₹ in Crores

Outstanding for following periods from due date of payment	MSME	Others	Disputed MSME	Disputed Others	Total
Unbilled	0.85	74.51	-	-	75.35
Not Due	58.17	150.33	-	-	208.50
Less than 1 year	5.90	227.80	-	-	233.70
1 to 2 years	-	3.13	-	-	3.13
2 to 3 years	-	0.53	-	-	0.53
More than 3 years	-	0.57	-	-	0.57
Total (Refer Note 23)	**64.92**	**456.85**	**-**	**-**	**521.77**

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The table below provides aging of trade payables as at March 31, 2024

₹ in Crores

Outstanding for following periods from due date of payment	MSME	Others	Disputed MSME	Disputed Others	Total
Unbilled	0.01	184.86	-	-	184.87
Not Due	29.83	210.65	-	-	240.48
Less than 1 year	2.93	151.89	-	-	154.82
1 to 2 years	-	1.40	-	-	1.40
2 to 3 years	-	0.42	-	-	0.42
More than 3 years	-	0.27	-	-	0.27
Total (Refer Note 23)	**32.77**	**549.49**	**-**	**-**	**582.26**

41.6 Liquidity Risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2025

₹ in Crores

	Amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Trade payable	521.77	521.77	-	-	521.77
Borrowings*	1,769.67	270.90	389.98	1,108.79	1,769.67
Other Financial Liabilities	184.64	184.64	-	-	184.64

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024

₹ in Crores

	Amount	upto 1 year	1-3 year	More than 3 year	Total cash flows
Trade payable	537.66	537.66	-	-	537.66
Borrowings*	216.95	18.01	44.47	303.77	366.25
Other Financial Liabilities	172.19	172.19	-	-	172.19

* Includes Contractual interest payment based on interest rates prevailing at the end of the reporting period over the tenor of the borrowing.

Refer note 43B for contractual maturity of Lease Liabilities.

Notes

forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

41.7 Changes in Liabilities arising from Financing Activities

₹ in Crores

	Non-Current Borrowings (including current maturities)	Current Borrowings	Interest Accrued But Not Due	Lease Liabilities	Unpaid dividend on equity Shares (Incl DDT)
As at April 01, 2023	**49.02**	**5.46**	**(0.00)**	**18.38**	**1.60**
Cash Flows	167.93	(5.46)	(9.82)	(6.82)	(102.29)
Charged to P&L during the year	-	-	9.82	2.01	-
Addition (net of disposals)	-	-	-	55.75	-
Dividend recognised during the year	-	-	-	-	102.29
Others	-	-	-	(0.20)	-
As at March 31, 2024	**216.95**	**(0.00)**	**(0.00)**	**69.13**	**1.60**
Cash Flows	806.88	120.82	(19.44)	(10.02)	(102.29)
Charged to P&L during the year	-	-	23.25	4.25	-
Addition (net of disposals)	-	-	-	33.11	-
Dividend recognised during the year	-	-	-	-	102.29
Others	1.88	24.00	0.00	0.01	-
As at March 31, 2025	**1,025.71**	**144.82**	**3.82**	**96.48**	**1.60**

42. SEGMENT INFORMATION

(a) Primary Segment Information

The Chief Operating Decision Maker (CODM) evaluates the performance of the Group as two business segments and allocates resources based on value generated from these segments.

Accordingly, the operations of the Group are reported under two Business Segments as per Ind AS 108- Operating Segment:

a) Advanced Intermediates

b) Phenolics

The accounting policies of the reportable segments are same as the Group's accounting policies. Segment profit represents the profit before interest and tax earned by each segment without allocation of central administrative costs and other income. This is the measure reported to the CODM.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

₹ in Crores

	For the year ended March 31, 2025	For the year ended March 31, 2024
I) Segment Revenue		
(a) Advanced Intermediates	2,527.31	2,723.88
(b) Phenolics	5,805.10	5,003.45
TOTAL	**8,332.41**	**7,727.33**
Less: Inter Segment Revenue	50.48	45.50
Revenue from operations	**8,281.93**	**7,681.83**
II) Segment Results		
Profit + Loss (-) Before Tax & Interest		
(a) Advanced Intermediates	175.70	445.85
(b) Phenolics	782.96	643.92
TOTAL	**958.66**	**1,089.77**
Less : (i) Interest Expenses	27.50	11.83
(ii) Other un-allocable expenditure net of un-allocable Income	(21.59)	(23.78)
III) Profit Before Tax	**952.75**	**1,101.72**

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₹ in Crores

		For the year ended March 31, 2025	For the year ended March 31, 2024
IV)	**Segment Assets**		
	(a) Advanced Intermediates	2,512.32	2,599.54
	(b) Phenolics	2,642.14	2,529.73
	(c) Un- allocable	2,563.21	966.95
TOTAL		**7,717.68**	**6,096.22**
V)	**Segment Liabilities**		
	(a) Advanced Intermediates	583.72	487.16
	(b) Phenolics	595.15	489.30
	(c) Un- allocable	1,114.14	297.08
TOTAL		**2,293.01**	**1,273.54**
VI)	**Capital Expenditure (Excluding RTU assets)**		
	(a) Advanced Intermediates	183.16	384.74
	(b) Phenolics	59.96	50.27
	(c) Un- allocable	92.32	36.81
TOTAL		**335.45**	**471.82**
VII)	**Depreciation**		
	(a) Advanced Intermediates	111.22	88.06
	(b) Phenolics	83.21	77.60
	(c) Un- allocable	0.94	-
TOTAL		**195.37**	**165.66**

(b) Secondary Segment Information

The following table shows the distribution of the Group's Revenue and Assets by geographical market:

₹ in Crores

Revenue	For the year ended March 31, 2025	For the year ended March 31, 2024
In India	6,922.70	6,134.39
Outside India	1,359.23	1,547.44
Total	**8,281.93**	**7,681.83**

₹ in Crores

Carrying Amount of Segment Assets	As at March 31, 2025	As at March 31, 2024
In India	7,207.01	5,653.85
Outside India	510.67	442.37
Total	**7,717.68**	**6,096.22**

₹ in Crores

Addition to Fixed Assets	As at March 31, 2025	As at March 31, 2024
In India		
- Tangible	292.42	442.47
- Intangible	14.23	29.32
Outside India		
- Tangible	0.01	0.03
- Intangible	-	-
Total	**306.66**	**471.82**

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forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

43. LEASES

A. The following is the movement in lease liabilities :

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	**69.13**	**18.38**
Additions during the year	33.11	69.89
Deductions during the year	-	(14.13)
Modifications during the year	(1.61)	-
Finance cost accrued during the year*	6.26	3.83
Payment/Provision of Lease Liabilities	(10.41)	(8.83)
Balance at the end of the year	**96.48**	**69.13**
Recognised under		
Non -Current Financial Liabilities	88.60	62.28
Current Financial Liabilities	7.88	6.85
Total	**96.48**	**69.13**

*Out of Finance cost accrued during the year, ₹ 0.69 Crores (Previous year ₹ 0.47 Crores) in Deepak Chem Tech Limited, a Wholly Owned Subsidiary and ₹ 1.32 Crores (Previous year ₹1.35 Crore) in Deepak Oman Industries (SFZ) LLC, a subsidiary has been allocated to Capital Work-in-Progress.

B. The following are details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in Crores

	As at March 31, 2025	As at March 31, 2024
Less than one year	13.81	11.74
One to five years	54.11	45.25
More than five years	83.53	81.98
Total	**151.45**	**138.97**

44. EARNINGS PER SHARE

	As at March 31, 2025	As at March 31, 2024
Basic and Diluted Earnings per Share		
Number of Shares at the beginning (Nos. in Crores)	13.64	13.64
Number of Shares at the end (Nos. in Crores)	13.64	13.64
Weighted Average Number of Shares considered for Basic and Diluted Earnings Per Share (Nos. in Crores)	13.64	13.64
Net Profit after Tax available for Equity Shareholders (₹ in Crores)	697.24	810.89
Basic and Diluted Earnings (in Rupees) Per Share of ₹ 2/- each	51.12	59.45

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45. RESEARCH AND DEVELOPMENT EXPENSES

₹ in Crores

		As at March 31, 2025	As at March 31, 2024
(i)	**Capital Expenditure**	0.73	9.13
(ii)	**Revenue Expenditure**		
	Materials	0.66	0.49
	Utilities	0.37	0.50
	Maintenance	0.70	0.68
	Personnel	14.40	13.87
	Others	3.73	4.27
		19.86	**19.81**
	Depreciation & Amortisation	4.32	3.49
		4.32	**3.49**
	Total Revenue Expenditure	**24.18**	**23.30**
(iii)	**Total Capital & Revenue Expenditure ((i)+(ii))**	**24.91**	**32.43**

46. During FY 2024-25, the Group has spent ₹ 25.38 Crores (Previous year ₹ 26.19 Crores) on Corporate Social Responsibility activities.

47. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with struck off companies.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group have 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

(vi) The Group have 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 Group 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,

(vii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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48. With respect to fire incident at Group's one of the manufacturing sites located at Nandesari, Gujarat in June 2022 an amount of ₹ 79.80 Crores has been recognised under Exceptional items in Statement of Profit and Loss for the year ended March 31, 2024 on account of final settlement from Insurance Company and has been included under "Advanced Intermediates" in segment reporting.

49. On May 31, 2024, DCTL, a Wholly Owned Subsidiary of company, has entered into Share Purchase Agreement with Shareholders of Narmada Thermal Power Private Limited ('NTPPL') to acquire 1,49,10,070 Equity Shares of ₹ 10 each of NTPPL, representing 100% paid up Equity Share Capital of NTPPL, for an aggregate consideration of ₹ 61.65 Crores payable in cash of which ₹ 19.25 Crores was paid as an advance during the previous year. "NTPPL" has been considered as step-down subsidiary of Deepak Nitrite Limited.

50. On August 9, 2024, the Company has acquired 100% equity stake in Deepak Advanced Materials Limited (formerly known as OXOC Chemicals Limited) (10,000 equity shares of ₹ 10/- each) for a consideration of ₹ 1,00,000. Accordingly, for the purpose of consolidation, Deepak Advanced Materials Limited has been treated as a Wholly Owned Subsidiary Entity from August 9, 2024 and has been accounted as per acquisition method of accounting under Ind AS 103 - Business combination.

51. On August 11, 2023, Deepak Nitrite Limited acquired 31.72% equity stake in Deepak Oman Industries (SFZ) LLC (DOIL) by subscribing to 7,70,000 equity shares of OMR 1 each for the consideration of ₹ 16.55 Crores. Further, on March 20, 2024, Deepak Nitrite Limited acquired, through acquisition as well as by way of subscription, additional 19.28% equity stake in DOIL i.e. 4,95,824 equity shares of OMR 1 each for the consideration of ₹ 10.69 Crores. Cumulative holding as on March 31, 2024 was 51%.

Furthermore, on June 10, 2024, Deepak Nitrite Limited subscribed to additional 4,90,919 equity shares of OMR 1 each for the consideration of ₹ 10.64 Crores. Cumulative holding as on March 31, 2025 is 51%.

DOIL was treated as an Associate up to March 19, 2024 and Subsidiary thereafter during the year ended March 31, 2024 and March 31, 2025.

52. **Events occurring after the balance sheet date:** The Board of Directors of Parent Company have recommended, subject to the approval of shareholders, dividend of ₹ 7.50/- (Rupees Seven & Fifty Paise only) per equity share of face value of ₹ 2/- (Rupees Two only) each for the year ended March 31, 2025 on 13,63,93,041 equity shares amounting to ₹ 102.29 Crores.

53. The Consolidated Financial Statements were authorised for issue by the Board of Directors on May 28, 2025.

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forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2025

54. ADDITIONAL INFORMATION IN CONSOLIDATED FINANCIAL STATEMENTS AS PER SCHEDULE III OF COMPANIES ACT, 2013

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in Crores	As % of consolidated profit or loss	Amount ₹ in Crores	As % of consolidated other comprehensive income	Amount ₹ in Crores	As % of consolidated total comprehensive income	Amount ₹ in Crores
Parent								
Deepak Nitrite Limited	46.00%	3,126.48	33.85%	276.43	76.69%	(2.20)	33.70%	274.23
Subsidiaries								
1. Deepak Phenolics Limited	38.93%	2,646.03	72.40%	591.21	16.06%	(0.46)	72.60%	590.75
2. Deepak Chem Tech Limited	12.76%	867.48	-5.45%	(44.54)	-7.35%	0.21	-5.45%	(44.33)
3. Deepak Nitrite Corporation Inc.	0.01%	0.84	0.00%	0.02	0.00%	-	0.00%	0.02
4. Deepak Oman Industries (SFZ) LLC	1.08%	73.57	0.03%	0.26	0.00%	-	0.03%	0.26
5. Deepak Project Management Company Limited	0.08%	5.45	0.07%	0.53	0.00%	-	0.07%	0.53
6. Deepak Advanced Materials Limited	0.40%	27.36	-0.85%	(6.94)	-0.14%	0.00	-0.85%	(6.93)
7. Narmada Thermal Power Private Limited	0.20%	13.93	-0.06%	(0.47)	0.00%	-	-0.06%	(0.47)
Non controlling interests in all subsidiaries	0.53%	36.05	0.02%	0.13	14.75%	(0.42)	-0.04%	(0.29)
Sub total	**100.00%**	**6,797.19**	**100.00%**	**816.63**	**100.00%**	**(2.87)**	**100.00%**	**813.75**
CFS Adjustments and Eliminations	-	(1,372.53)	-	(119.26)	-	(0.44)	-	(119.70)
Total	**-**	**5,424.66**	**-**	**697.37**	**-**	**(3.31)**	**-**	**694.06**

For and on behalf of the Board

DEEPAK C. MEHTA
Chairman & Managing Director
DIN: 00028377

MAULIK MEHTA
Executive Director & CEO
DIN: 05227290

SANJAY UPADHYAY
Director-Finance & Group CFO
DIN: 01776546

SOMSEKHAR NANDA
Chief Financial Officer
ICAI Membership No.: 49831

DILEEP CHOKSI
Director
DIN: 00016322

ARVIND BAJPAI
Company Secretary
Membership No. : F6713

Vadodara: May 28, 2025