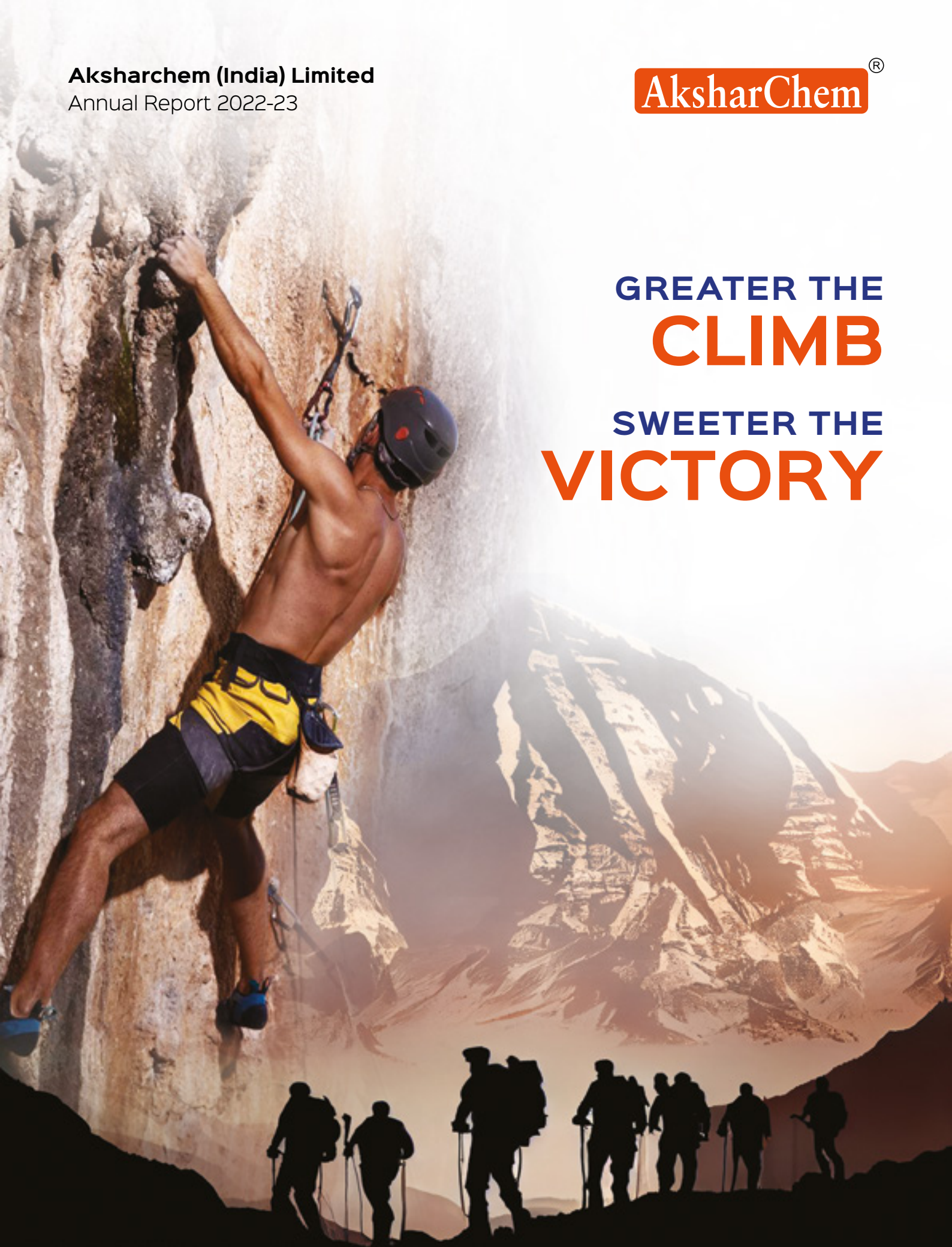


**GREATER THE  
CLIMB  
SWEETER THE  
VICTORY**



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## Forward looking statements

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



For mountaineers, circumstances are ever-changing. Ascending to the top they must overcome avalanches, slippery slopes, deep crevices, and unpredictable weather. These situations make or break spirits. Some just get discouraged and back off. Others are ever so determined, never ready to give up. They persist and continue, even with strained bodies and aching legs. But their spirits are high – because they know when they reach the summit, the pain will be all worth it. **They know the victory is sweet.**

The world of mountaineering and Aksharchem (India) share parallels. In recent times, we have encountered a series of daunting challenges. Yet, we have refused to give up and instead forged an unyielding resolve to overcome every obstacle coming our way. With a tenacious spirit akin to that of a determined mountaineer, we keep advancing. We understand that reaching the summit requires endurance, resilience, and an unshakeable belief in our abilities. **And so, we are persevering.**


We are confident that the market will improve. Once it does, with our experience and competencies that we are building through the journey, we shall be able to rebound. Our ultimate triumph lies at the summit of success, and we are confident of returning back to the path of growth soon, **creating immense value for our stakeholders and solidifying our market position.**



# Our ascent in FY 2022-23 became more difficult...

Prolonged sluggishness in the chemicals sector, resulted in low demand in the principal business of dye intermediates and pigments

Partial production stoppage at our manufacturing plants due to weak demand resulted in an inability to cover fixed overheads, and thus a loss of **Rs. 94.21 lakhs** in FY 2022-23



...but we drew the  
courage to endure  
a little longer and  
embarked on a  
series of proactive  
initiatives



01

**We entered**

newer geographies of Turkey, Vietnam and Sri Lanka to diversify our geography and customer base

02

**We conducted**

sales and operations planning meetings on a regular basis to identify the issues and resolve them in an efficient and timely manner

03

**We maintained**

a sharp focus on the effective utilization of working capital, resulting in an improvement in operating cash flows

04

**We initiated**

plans to expand to diverse types of Precipitated Silicas including conventional, micro pearl and highly dispersible to unlock new opportunities

05

**We resumed**

H-Acid operations in view of improving demand

06

**We re-directed**

our focus on the domestic market as one of the future growth drivers, considering the weakness in the global macro-economy and the strength of the Indian economy. We are committed to gaining market share by increasing domestic sales of all the products.



# THE AKSHARCHEM STRATEGY FOCUSING ON OPTIMISING OPERATIONAL AND COST EFFICIENCIES AND QUALITY IMPROVEMENT

Sluggishness in external conditions is likely to persist. We contemplated the idea of redirecting our efforts towards improving internally.

At Aksharchem (India), we operate state-of-the-art plants, fully controlled by a centralised Distributed Control System and having a fully-equipped lab with trained chemists. Our plants adhere to stringent quality

control systems, employing ISO/ ASTM-based test methods. Its utility sections, including Reverse Osmosis Water Treatment Plant (RWTP), Effluent Treatment Plant (ETP), and Boiler, are equipped with state-of-the-art

Programmable Logic Controller (PLC) control systems. We also have a highly efficient packaging system, featuring a fully automated setup for both small bag and jumbo bagging, and offer flexible and customised packaging as per customer need.

We prioritise top-notch quality through analysis of raw materials, in-process samples, and finished goods quality, alongside rigorous packaging materials evaluation. We emphasise vendor development and evaluation to maintain optimal quality control of raw materials. Compliance with ISO procedures and industry standards is a priority. Additionally, our strong presence in the Rubber and Tyre industry is underscored by key customer associations, highlighting our expertise in delivering exceptional products and services.

**In FY 2022-23, we have successfully completed the capex for shifting of CPC Green Production line to the new state-of-the-art building facility.**



# THE AKSHARCHEM STRATEGY UNLOCKING THE PRECIPITATED SILICA OPPORTUNITY

Until FY 2021-22, a major portion of our revenues came from exports of Vinyl Sulphone, CPC green and H Acid. When economies across the globe faced downturns and these product mix witnessed weak demand, our business got impacted.

Rather than waiting for things to improve, we instead focused on consolidating the new product mix of Precipitated Silica which has strong long-term growth potential. We possess a significant competitive edge in this market, led by our ability to consistently deliver high-quality output under stringent process control parameters.

During FY 2022-23, we made substantial progress in the tyre and rubber industry, securing approvals from various key customers in India and abroad. We have been able to deliver customised products, suiting the unique requirements of our customers. We introduced a range of Silica grades with diverse physical and chemical properties, adapting to the preferences of customers in both domestic and international markets.

**Furthermore, we enhanced engagements with key customers overseas, resulting in heightened awareness of AKSIL grades of Precipitated Silica. This translated into commercial purchases from many buyers, validating the quality and value proposition of our products.**



## ABOUT AKSHARCHEM (INDIA) LIMITED

# POWERED BY EXPERTISE AND RESILIENCE

At Aksharchem (India), we commenced operations in 1991 with a humble beginning. Through the years, we have established ourselves as a globally-recognised manufacturer of dyes, pigments, and inorganic chemicals. Our path has been characterised by significant growth and transformation. We have expanded our portfolio, strengthened niche offerings with value addition, nurtured enduring relationships, and expanded our reach to multiple geographies.

Today, we stand as one of India's leading exporters of Vinyl Sulphone, a frontrunner in CPC Green and having one of the largest Precipitated Silica capacities in India.

We are a formidable entity, differentiated by our robust portfolio, uncompromising quality standards and supply reliability. With our expertise and cutting-edge technology, we are positioned to meet the evolving needs of customers most sustainably and cost-effectively.



### Vision

**To emerge as global leader in supply of specialty Chemicals by creating value for our esteemed customers by supplying quality products.**



### Mission

**We are committed to use 'Green' technologies in all our manufacturing operations. We also endeavor that we will protect environment by using cleaner technologies and we are responsible for safety and health protection of our work force.**

### Our portfolio

#### Product



Vinyl Sulphone  
& H Acid

CPC Green

Precipitated  
Silica

#### End-user industry



 Textile

 Printing Ink

 Rubber

 Tyre

 Paint

 Plastics

 Rubber

 Leather



### Awards won

Lifetime Achievement Award  
to Mrs. Paru M. Jaykrishna  
by Chemexcil



Award of Excellency 2017-18  
Dyes & Dye Intermediates  
(SSM & Merchant Exporter  
Sector) by Chemexcil



Trophy for self-  
manufactured domestic  
sale of Dye Intermediates of  
more than Rs. 50 Crores but  
less than Rs. 75 Crores in  
FY 2021-2022 by GMDA



Special Trophy for self-  
manufactured direct export  
of dyes of Rs. 75 Crores and  
above in FY 2021-2022 by  
GMDA



First Award for self-  
manufactured direct export  
of dye intermediates in  
FY 2021-2022 by GMDA



### Excellence that defines us

**7,800 tonnes**

Vinyl Sulphone capacity

**1,200 tonnes**

H Acid capacity

**2,400 tonnes**

CPC Green capacity

**12,000 tonnes**

Precipitated Silica capacity

**CARE A /  
CARE A1**

Rated for long-term and short-  
term facilities

### Certifications

ISO 9001:2015

ISO 14001:2015

ISO 45001:2018

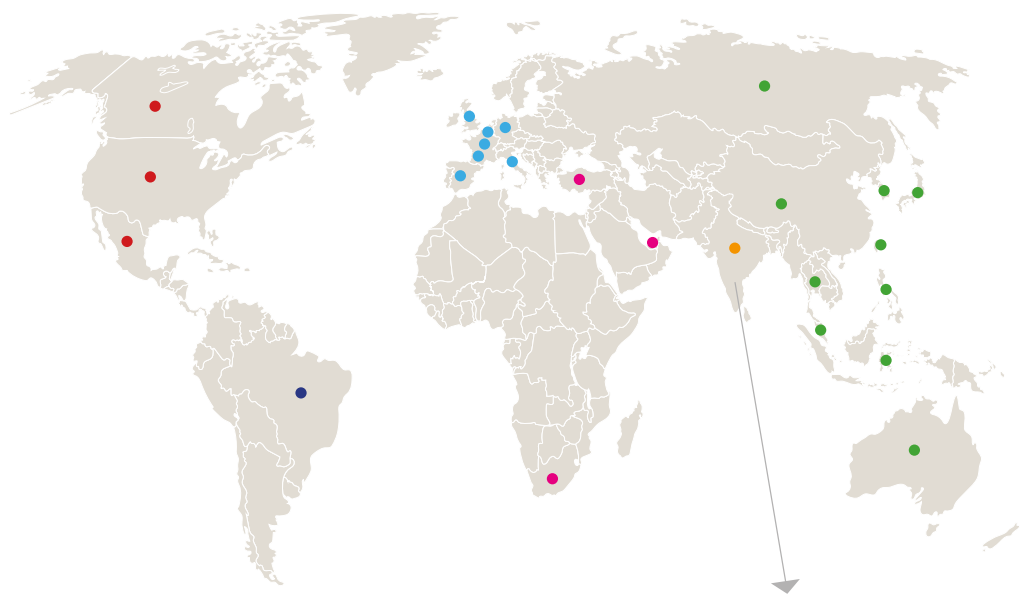


## GEOGRAPHIC PRESENCE

# ESTABLISHING A STRONG GLOBAL FOOTHOLD

We have strategically established a presence across the world through the years. Our presence in these locations, having stringent quality standards validates our excellence. We remain focused on strengthening our product portfolio and adding new customers in newer geographies.

- **North America**  
Canada, USA, Mexico
- **South America**  
Brazil
- **Europe**  
Germany, Netherlands, United Kingdom, Belgium, France, Italy, Spain, Denmark, Ireland
- **Middle East and Africa**  
Turkey, UAE, South Africa
- **India**  
**Headquarter:**  
Ahmedabad  
**Manufacturing facilities:**  
Indrad-Mehsana, Dahej-Bharuch, Gujarat
- **Asia pacific**  
China, South Korea, Japan, Taiwan, Thailand, Malaysia, Indonesia, Philippines, Australia, Russia, Vietnam



Share of revenue

