

Sustainable Growth through
**Integration &
Innovation**





Disclaimer

This document contains statements about expected future events and financials of Camlin Fine Sciences Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Table of

Contents

04-33

CORPORATE OVERVIEW

06	Sustainable Growth through Integration and Innovation
08	Our Potential
10	CMD's Message
12	Our Journey
14	Our Global Presence
16	Shelf Life Solutions (Straights, Blends and other Additives)
18	Performance Chemicals
20	Aroma Ingredients
22	Health & Wellness
24	Research & Development
26	CFS 2.0 - Our Growth Strategy: Integration to Innovation
28	Environment, Social & Governance
30	Meet the Board
32	Financial Highlights

34-111

STATUTORY REPORTS

34	Notice
46	Board's Report
80	Management Discussion & Analysis
90	Corporate Governance Report

112-302

FINANCIAL STATEMENTS

Standalone

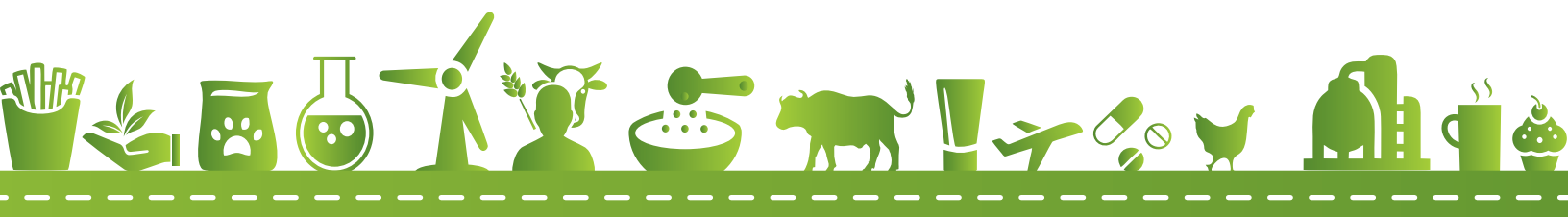
112	Independent Auditor's Report
126	Balance Sheet
127	Statement of Profit and Loss
128	Statement of Changes in Equity
130	Cash Flow Statement
132	Notes

Consolidated

209	Independent Auditor's Report
218	Balance Sheet
219	Statement of Profit and Loss
220	Statement of Changes in Equity
222	Cash Flow Statement
225	Notes

INVESTOR INFORMATION

CIN	: L74100MH1993PLC075361
BSE Code	: 532834
NSE Symbol	: CAMLINFINE
AGM Date	: July 29, 2022



Corporate Information

Ashish Dandekar

Chairman & Managing Director

Nirmal Momaya

Managing Director*

**Date of appointment: June 1, 2021*

Arjun Dukane

Executive Director - Technical

Anagha Dandekar

Non-Executive Non-Independent Director

Harsha Raghavan

Non-Executive Non-Independent Director

Sarvjit Bedi

Non-Executive Non-Independent Director

Amol Shah

Independent Director

Sutapa Banerjee

Independent Director

Joseph Conrad D'souza

Independent Director

Mahabaleshwar Palekar

Independent Director

Pradip Kanakia

Independent Director*

**Date of appointment: October 18, 2021*

Thomas Videbaek

Independent Director

KEY MANAGERIAL PERSONNEL

Santosh Parab - Chief Financial Officer

Rahul Sawale - Company Secretary and
VP - Legal

Registered Office:

F/11-12, WICEL, Opp SEEPZ Main Gate, Central
Road, Andheri East, Mumbai - 4000093.

Tel No - 91-22-67001000 Fax : 91-22-28324404

www.camlinfs.com E : secretarial@camlinfs.com

CIN : L74100MH1993PLCO75361

Works:

Plot No. D-2/3, M.I.D.C Boisar Tarapur (Dist. Thane)
401506

Plot No. N-165, M.I.D.C Boisar Tarapur (Dist. Thane)
401506 (R&D)

Plot No. Z/96/D, Dahej SEZ Ltd; Part-II, Tal. Varga,
Dist. Bharuch, Pin Code: 392130, Gujarat, India

Auditors:

M/s Kalyaniwalla & Mistry LLP
Chartered Accountants, Mumbai

Banks and Financial Institutions

State Bank of India

IDBI Bank Limited,

Punjab National Bank (erstwhile Oriental Bank of
Commerce)

Bank of India, International Finance Corporation,
Export-Import Bank of India

Registrars and Share Transfer Agent

Link Intime India Pvt.Ltd.

C101, 247 Park, LBS Marg, Vikhroli West,
Mumbai - 400 083

Tel No - +91 22 4918 6000 / 4918 6270

Fax : +91 22 49186060

Email : rnt.helpdesk@linkintime.co.in



VISION

To be the globally preferred, trusted, and integrated provider of reliable and innovative shelf-life solutions, aroma ingredients, performance chemicals, and health & wellness ingredients.



MISSION

Be a vertically integrated provider of diverse high-quality innovative antioxidants & shelf-life extensions, aroma ingredients, performance chemical products and related solutions for Food, Animal Nutrition, Pet Food, Pharmaceutical and Petrochemical industries globally. To have an in-depth product technical know-how, its applications, an intimate understanding of customer's needs and a wide global reach through superior sourcing, logistics and service.



CORE VALUES

Collaborative

We collaborate with different organisations and communities to find better, locally suited solutions.

Credible

We gained the trust of our clients all over the world for our consistent and reliable processes subject to regular improvisations in line with the ever evolving industry trends.

Passionate

We take pride in our quality work and remain committed to our purpose for finding the most-suitable solutions for our customers' problems, making their lives qualitative.

Reliable

We strive to deliver on our commitments on a timely basis, within the set quality standards, to facilitate higher relevance and trust-worthiness of our processes.

Transparent

We disseminate all information in an unjust manner and make them accessible to all our stakeholders.

Sustainable Growth through

Integration and Innovation

AT CAMLIN FINE SCIENCES (CFS), WE BRING SCIENCE INTO PEOPLE'S LIVES IN A WAY THAT TOUCHES THEM AND ENRICHES THEIR LIVES. WE HAVE BEEN ADVANCING OUR GOAL TO COEXIST WITH THE WORLD AROUND US, AND THE RESOURCES IT PROVIDES.

INTEGRATION AND INNOVATION ARE TWO OF THE PRIME DRIVING FACTORS FOR SUSTAINABLE GROWTH AT CFS.

We, at CFS, consider sustainability from two perspectives. We have expanded our offerings under Catechol and Hydroquinone to serve a wide range of end-user industries, using our vertical integration capability. Apart from Italy, we have added a Diphenol plant to our existing Hydroquinone and Catechol capacity in India. It allows us to innovate and manufacture a wide range of downstream products while providing complete traceability and transparency to our customers, right from the raw materials to the final products.

In addition to offering downstream products, we have broadened our offering to offer comprehensive solutions for diverse industries. Our long-term success depends on integrating and expanding our product line for a variety of industries.

With an eye towards creating a sustainable world, we have incorporated fermentation technologies for the purpose of including sustainable products in our portfolio. We also find ways to adopt new ecosystems to include new materials, processes and find alternatives to nature's finite resources.

Today, food protection has become an increasing concern, rendering a huge impact on the bottom line, and food-loss leading to wastage. We manufacture TBHQ, BHA, Ascorbyl palmitate (ASP), and blends of these antioxidants, to provide tailor-made solutions for our customers. To those requiring clean labels, we have natural antioxidants such as rosemary

extract, tocopherols, green tea extract and acerola extract. Besides its antioxidant properties, it also protects nutrients, adding more value and providing a satisfying experience for health conscious consumers. CFS delivers comprehensive solutions to drive food safety and protection until the end of shelf life

Surveys indicate an overwhelming preference for natural ingredients in food, and with greater emphasis on pet food. By analysing and understanding these changing consumer trends, we innovate and develop products and processes by leveraging our core competence, adding to the long-term sustainability of our business. Furthermore, a thorough market research, setting up rigorous processes, technical and market experts, working with industry leaders and developing a competent governance framework, adds onto our efforts of achieving business sustainability. Keeping ESG at the core of our business, we strive to find better, innovative and important ways to become more sustainable and environment-friendly. We believe no amount of effort is ever too much in preparing humans for a better future.

Through its Animal Nutrition segment, CFS helps maintain the health and safety of farms. The advance portfolio has now developed effective alternatives to antibiotic usage which remains an alarming global concern. CFS is dedicated to give producers and farmers an informed decision on feed purchases for profitable farming. When livestock is reared effectively, it impacts the food chain too.



Our strategic partnership with Lockheed Martin, a US-based company that is working towards utilising green energy to store renewable energy has been progressing well. We will be providing the raw materials required to develop sustainable and environment-friendly solutions, by bringing in our operational and technical expertise.

Over the last three decades, our passion for science and our innovative edge has given our customers greater control over their product basket and has earned us a distinct place in the world of fine sciences.

HIGHLIGHTS

- Our Diphenol plant in India has enhanced capacities to our existing Hydroquinone and Catechol produced in Italy.
- Expanded our offerings under Catechol and Hydroquinone to serve a wide range of end-user industries.
- Our power of vertical integration provides complete traceability and transparency to our customers, right from the raw materials to finished products.
- Camlin Fine Sciences has global expertise in the Antioxidants industry and has been a trusted name for over 25 years now.
- Through Xtendra® and NaSure®, CFS delivers comprehensive solutions (traditional and natural) to drive food safety and protection until the end of shelf life.
- Works in partnership with the customers to innovate and deliver the most suitable solutions for their food products to protect it, prevent spoilage and food wastage.
- Recent acquisition of AlgaIR NutraPharms for production of alga-based DHA (Omega -3 fatty acid) using fermentation technology that can reduce the burden on marine life. Omega-3 is known for its functional benefits right from early life to golden years.
- Develops and markets an extensive line of products in the Animal Nutrition segment, which helps master Feed Conversion Ratio (FCR) and return on investment for profitable and healthy farming.
- Strategic partnership with Lockheed Martin that is working towards utilising green energy to store renewable energy.

Our Potential



AMONG

WORLD'S LEADING

Manufacturer of antioxidants



PREFERRED PARTNER

For customised shelf-life solutions

Investors

Our comprehensive, timely disclosures to the investing community assists them in making rational judgement.



₹ Lakh

141,208.91

Total Revenue



₹ Lakh

218,914.53

Market Capitalisation

*As on March 31, 2022



₹ Lakh

15,280.84

EBITDA



₹ Lakh

6,037.19

Profit After Tax



6.96%

Return on Capital Employed



₹

4.65

Earnings Per Share

Customers

We are serving a worldwide customer base with a wide product range.



100+

Diversified Products



1250+

Satisfied Customers
Worldwide



>55,000

Integrated Global
Production Capacity

Tonnes

Operational Facilities

Multiple operational facilities, R&D centres and application laboratories are the backbone of our innovative product basket.



9

Global manufacturing
facilities



5

Application laboratories



2

R&D centres

Worldwide Presence

Our global footprint over 4 continents



EUROPE



ASIA



SOUTH AMERICA



NORTH AMERICA

Message from the

Chairman and Managing Director



My fellow shareholders,

It gives me immense pleasure to share this platform with all our shareholders for their unwavering support in all our ventures and I'd also like to take this opportunity to welcome our Senior Management. Mr. Nirmal Momaya joined us as the Managing Director of the Company from June 1, 2021. With his rich and diverse experience, across industry sectors, we hope to flourish in the coming times. Now, with great pleasure and pride I am presenting you Camlin Fine Sciences Annual Report for FY 2022.

CFS' specialty chemicals cater to four different businesses – Shelf-Life Solutions, Performance Chemicals, Aroma Ingredients and Health & Wellness. With the commencement of diphenol plant in Dahej in 2021, we have further increased our diphenol production capacity from 10,000 to 15,000 metric tonnes per annum by initiating the de-bottlenecking exercise during our planned annual maintenance. This will bolster our diphenol downstream capacity.

Combining our Italy and Dahej facilities, our total diphenol production capacity has increased from 20,000 to 25,000 metric tonnes. Your company has now become a dominant producer of diphenols with a combined capacity of 25,000 MTPA.

We undertook the following initiatives and acquisitions during the year:

- Our 33.5% share in the Mexico subsidiary has been completed, bringing us the benefit of the great potential in Mexico, Central America and Andean states.
- We acquired an 80% stake in AlgalR NutraPharms Private Limited to expand its footprint in the food, pet food, animal nutrition, and nutraceutical industries with sustainable products. AlgalR is the only domestic producer of Omega-3 fatty acids (DHA) derived from microalgae using proprietary fermentation technology.
- We are close to completing our plan of building a 6000 metric tonne vanillin and ethyl vanillin plant at Dahej, Gujarat. CFS is well-positioned to grow from sectoral tailwinds, backed by our diverse product portfolio, global presence, ongoing focus on R&D, and strong financial position.

Revenue from Operations stood at INR 14,120.9 million in FY 2022, rising from INR 11,871 million in FY 2021, recording a growth of 19% Earnings Before Interest, Depreciation, Tax and Amortization (EBITDA) for FY 2022 stood at INR 1,528.1 million, 16% lower growth than the previous year. Net Profit was recorded at INR 603.7 million in FY 2022, witnessing a decrease of 8% over the previous year.

The Russia-Ukraine conflict negatively impacted on all costs, particularly raw materials, logistics, power and gasoline, resulting in a downward trend in Profit After Tax (PAT) and EBITDA. Following this, our