



DAIKAFIL
CHEMICALS INDIA LIMITED

31
YEARS

31st ANNUAL REPORT
2022-2023

CIN : L24114MH1992PLC067309

DAIKAFFIL

BOARD OF DIRECTORS	Sudhir Patel	(Non-Executive Chairman) DIN: 00012036
	Aditya Patel	(Managing Director) DIN: 00005276
	Amit Patel	(Director) DIN: 00005232
	Sunil Merchant	(Independent Director) DIN: 01064306
	Maithili Siswawala	(Independent Director)DIN: 07107622
KEY MANAGERIAL PERSONAL	Aditya Patel	(Managing Director)
	Sunil Shedge	(Chief Financial Officer)
	Seemab Ansari	(Company Secretary)
SECRETARIAL AUDITOR	D. M. & Associates, Company Secretaries LLP	(Practicing Company Secretaries)
AUDITORS	NGST & Associates	(Statutory Auditors)
	JMT & Associates	(Internal Auditors)
REGISTRARS AND SHARE TRANSFER AGENTS	Link Intime India Pvt Ltd, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.	
CORPORATE OFFICE	52, Nariman Bhavan, Nariman Point, Mumbai 400 021.	
REGISTERED OFFICE AND PLANT	Plot No. E-4, M.I.D.C. Tarapur, Boisar, Dist: Palghar - 401 506.	
ANNUAL GENERAL MEETING		
Date:	18th August, 2023	
Time:	10.30 A.M.	
Venue:	Through Video Conferencing	

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NOTICE

NOTICE is hereby given that the **31st ANNUAL GENERAL MEETING** of the Members of **DAKAFFIL CHEMICALS INDIA LIMITED** will be held on **FRIDAY, 18th DAY OF AUGUST, 2023** at 10.30 A.M. through Video Conferencing to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt:
The Audited Financial Statements for the financial year ended March 31, 2023 including the Audited Balance Sheet as at March 31, 2023 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Aditya Patel, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- Re-appointment of Mr. Aditya Patel (DIN: 00005276), Managing Director, of the Company for a further period of 3 years commencing from June 01, 2024 and ending on May 31, 2027.**

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 recommendation of Nomination and Remuneration Committee and approval of Board of Directors and subject to the provisions of Section 196, 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013, the relevant rules made thereunder read with Schedule V of the said Act (including any statutory modifications and re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for reappointment of Mr. Aditya Patel (DIN: 00005276) as Managing Director of the Company for a further period of three years with effect from June 01, 2024 to May 31, 2027, liable to retire by rotation, on such terms & conditions and remuneration as set out below:

A. REMUNERATION:	
(i)	Basic Salary of INR 110,000/- (Rupees One Lakh Ten thousand Only) per month and 10% annual increment on the basic salary.
(ii)	Commission : As May be decided by the Board of Directors at the end of each year calculated with reference to the net profit of the Company during the financial year, subject to overall ceiling as prescribed in section 197 of the Companies Act 2013.
(iii)	Bonus as per rules & regulations of the Company and at the discretion of the Board of Directors.
B. PERQUISITES & ALLOWANCES:	
The Managing Director shall be entitled to the following perquisites and benefits:	
(i)	Accommodation (furnished/unfurnished) or House Rent Allowance in lieu thereof;
(ii)	Maintenance and upkeep, all monthly outgoings, cost of repairs, furnishings, payment of actual expenses for gas, electricity, water;
(iii)	Reimbursement of actual expenditure on medical treatment for self and dependent family members;
(iv)	Leave travel for self and dependent family members;
(v)	Subscription to Club fees and other expenses incurred at the club;
(vi)	Medical/accident insurance;
(vii)	Car with Driver maintained and fuelled by the Company for the use of Mr. Aditya Patel and his family;
(viii)	Other perquisites subject to overall ceiling of remuneration stipulated in Section 197 of the Companies Act, 2013. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income tax Rules wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.
C. MINIMUM REMUNERATION:	
Notwithstanding anything to the contrary herein contained, where, in any financial year during the currency of the tenure of Mr. Aditya Patel, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Aditya Patel the remuneration which shall be as per the terms and conditions of Schedule V of the Companies Act, 2013;	
D. RETIREMENT BY ROTATION:	
Mr. Aditya Patel shall be subject to retirement by rotation.	
E. SITTING FEES	
Managing Director shall not be paid any sitting fees for attending the meetings of the Board or any Committee thereof.	
F. OTHER TERMS AND CONDITIONS	
The terms and conditions of appointment of Executive Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.	

RESOLVED FURTHER THAT in the event the Company has no profit or its profits are inadequate in any financial year the remuneration shall be paid to him shall be as per the terms and conditions of Schedule V of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board of Directors of the Company or the Committee of the Board, be and is hereby authorized to do all such acts, deeds and things and to alter, amend or vary the terms and conditions of the appointment and remuneration as may be agreed to between the Board of Directors and Mr. Aditya Patel within such guidelines or amendments as may be made to the Companies Act, 2013, and subject to such approvals as may be required including filing of necessary e-form with registrar of Companies as may be required to give effect to the aforesaid resolution."

- Re-appointment of Mrs. Maithili Siswawala (DIN: 07107622), Independent Director of the Company for a further period of 5 years.**

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

"RESOLVED THAT pursuant to the recommendation of Nomination and remuneration committee and pursuant to approval of Board of Directors and pursuant to the provisions of sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("the act"), read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs. Maithili Siswawala (DIN: 07107622), Independent Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years i.e. commencing from May 23, 2024 upto May 23, 2029 and whose office shall not be liable to retire by rotation."

By Order of the Board of Directors
For **DAKAFFIL CHEMICALS INDIA LIMITED**
Sd/-
Aditya Patel
Managing Director
(DIN: 00005276)

Date: May 22, 2023
Place: Mumbai

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 11/2022 dated December 28, 2022 read with General Circular No. 2/2022 dated May 5, 2022 read with Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 and read with General Circular No. 02/2021 dated 13.01.2021 (hereinafter collectively referred to as "MCA Circulars") and SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. For this they are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
4. The members are requested to:
 - (a) Intimate to the Company's Registrars and Share Transfer Agents M/s Link Intime India Private Limited (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address, Bank account number / details etc. at an early date;
 - (b) Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - (c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - (d) Get the shares transferred in joint names, if they are held in single name to avoid inconvenience;
 - (e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
 - (f) Furnish their Bank Account Number, the name of the Bank and the Branch where they would like to deposit the Dividend Warrants for encashment. These particulars will be printed on the cheque portion of Dividend Warrants, besides the name of the Shareholders so as to avoid fraudulent encashment of warrants. The above mentioned details should be furnished by the first / sole shareholder, directly to the Registrar & Share Transfer Agents, quoting the folio number.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who hold shares in dematerialized form are requested to get their Client ID and DP ID numbers ready for easy identification of attendance at the meeting.
7. Consequent upon the introduction of Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13 (which will be made available on request) to the Registrar and Transfer Agents, M/s Link Intime India Private Limited.
8. The Annual Report of the Company for the year 2022-2023 is also uploaded on the Company's website (www.daikaffil.com)
9. Members are requested to notify any changes in address, signature or other bank particulars for their shares in electronic mode to their respective Depository Participant and for their physical holdings to the Registrar & Share Transfer Agent of the Company i.e. M/s. Link Intime India Private Limited.
10. Members are requested to direct all correspondence relating to share matters to the Company's Registrars and Share Transfer Agents.
11. **In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.**
In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:
 - i. Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit.

OR

 - ii. **In the case of Shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.**
12. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2022-23 will also be available on the Company's website www.daikaffil.com; websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. **Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.**
13. **Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.**
14. **INSTRUCTIONS FOR E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS FOLLOWS:**
15. **Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:**
 - a. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
 - b. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.

- c. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
- Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details:
 DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 PAN: Enter your 10 digit Permanent Account Number (PAN),
 Mobile No.
 Email ID
 - Click "Go to Meeting"

Note:

- Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- In case the shareholders/members have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000 **InstaMeet Support Desk, Link Intime India Private Limited.**

16. Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

- Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at info@daikaffil.com from August 09, 2023 09:00 a.m. to August 11, 2023 05:00 p.m.
- The first 20 Speaker(s) on first come basis will only be allowed to express their views/ask questions during the meeting.
- Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

Note:

- Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.
- Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

17. Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
- Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
- After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.
- Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

- Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting.
- Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel: 022-49186175 **InstaMeet Support Desk, Link Intime India Private Limited**

- In accordance with provision of section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014 the business proposed for the ensuing general Meeting, may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("e-voting") to its members.

- The Company has engaged the services of **CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED ("CDSL")** to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner.

It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://www.evotingindia.com/> during the following voting period.

- | | |
|------------------------------|--------------------------------------|
| a) Commencement of E-Voting: | 15th August 2023 (10.00 A.M onwards) |
| b) End of e-voting: | 17th August 2023 (till 5.00 P.M.) |
| c) Book Closure | 12th August 2023 to 18th August 2023 |

During the E-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date may cast their vote electronically. The cutoff date for the limited purpose of e-voting is 11th August 2023. The EVSN for voting is **230516001**. The Company has appointed Mr. Dinesh Kumar Deora as scrutinizer for the meeting.

The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.

Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

The instructions for members for voting electronically are as under: -

In case of members receiving e-mail:

- Log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Now, select the "COMPANY NAME" from the drop-down menu and click on "SUBMIT"

- (iii) Now, select the "COMPANY NAME" from the drop-down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Registered Office:

E-4, M.I.D.C. Tarapur, Boisar, District Palghar
 Maharashtra-401506
 Date: May 22, 2023
 Place: Mumbai

By Order of the Board of Directors
 For **DAIKAFFIL CHEMICALS INDIA LIMITED**

Sd/-
ADITYA PATEL
 (MANAGING DIRECTOR)
 (DIN: 00005276)

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM No. 3

The term of Mr. Aditya Patel as Managing Director is upto May 31, 2024 and that it is proposed to re-appointment him as Managing Director for a further period of three years commencing from June 01, 2024 and ending on May 31, 2027.

The Nomination and Remuneration committee on May 22, 2023 recommended to the Board his appointment as Managing Director for a further period of three years.

Accordingly, considering his valuable contribution, commitment and devotion towards the Company, for managing corporate affairs and particularly looking after technical side of production the Board of Directors at their meeting held on May 22, 2023 and based on the recommendation of the Nomination and Remuneration Committee has approved his reappointment in advance as Managing Director of the Company for a further period of 3 years commencing from June 01, 2024 upto May 31, 2027.

Save and except Mr. Amit Patel father of Aditya Patel and Mr. Aditya Patel and their relatives, to the extent of their shareholding interest in the Company, if any, none of the other Directors of the Company and their relatives are in any way concerned or interested, financially or otherwise, in passing of the resolution set out at item no. 3 of the Notice.

The Board recommends the passing of Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Information as required under Schedule V alongwith Notice calling the general meeting is mentioned below:

I. General Information	:
1. Nature of Industry	: Chemical Manufacturing
2. Date or Expected date of commencement of commercial production	: NA
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	: NA
4. Financial performance based on given indicators	: Forms part of the Directors Report under the para Financial Highlights
5. Foreign investments or collaborations, if any	: NA
II. Information about the appointee:	:
1. Background Details	: Refer table - Information about the Directors seeking appointment/ re-appointment/approval of remuneration etc.
2. Past Remuneration	: Refer table - Information about the Directors seeking appointment/ reappointment/approval of remuneration etc.
3. Recognition or awards	: NA
4. Job Profile and suitability	: Mr. Aditya Patel : He is been on the Board since 2012. Since then he has shown his leadership quality in the areas of sales, marketing and purchases.
5. Remuneration proposed	: Refer Resolution
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	: Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Aditya Patel, the remuneration is commensurate with the remuneration packages paid to similar counterparts in other companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	: Refer Explanatory Statement to the Notice

I. Other Information:
1. Reasons for Loss or Inadequate profits:

Members are hereby informed that during F.Y. 2021-22 due to manufacturing orders drying up, the costs had become higher than the revenue, the Company incurred loss. To restrict any further erosion of capital due to the losses the management had undertaken certain cost saving measures which included planned shutdown of the factory. Since then, the operations are not fully restored and this has severely impacted the profitability of the Company and has resulted in losses.

2. Steps taken or proposed to be taken for Improvement:

The Company is into the business of Chemical manufacturing since 1992 and trading of the same. Accordingly, it has necessary expertise and appropriate network of vendors in India and abroad and hence, in the interim, the Trading activities are being carried out of Dyes and Dyes intermediates including optical brightener and related group products so that the margins from these products can help in sustaining the other costs. As and when sales orders start flowing, the plant will be operational again and the capacity will be restored gradually.

3. Expected increase in productivity and profits in measurable terms:

As mentioned in point no.2 the Management has already taken various initiatives to improve its present position; improve market share and its financial performance. It has been aggressively pursuing and implementing the same which the management is optimistic that it will result in increase in profitability.

ITEM No. 4

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, the Members at their Annual General Meeting held on August 02, 2019, appointed Mrs. Maithili Siswawala (DIN: 07107622) as Independent Director of the Company for a period of 5 (five) consecutive years for a term up to May 23, 2024. Her term will come to an end next year and to continue her uninterrupted term the approval is sought in advance in this AGM from the Members. She is eligible for re-appointment for one more term of five years.

The Nomination and Remuneration Committee on the basis of the report of performance evaluation of Independent Directors, has recommended the reappointment of Mrs. Maithili Siswawala (DIN: 07107622) for a second term of 5 (five) consecutive years (commencing from May 23, 2024 upto May 23, 2029) on the Board of the Company.

The Board of Directors based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee considers that, given her background, experience and analytical skills along with the contribution made by her during her tenure, the continued association of Mrs. Maithili Siswawala (DIN: 07107622) as Independent Director would be beneficial to the Company and it is desirable to continue and to avail her service as Independent Director.

Accordingly, it is proposed to re-appoint Mrs. Maithili Siswawala (DIN: 07107622) as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

The Company has also received a declaration from her confirming that she meets the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Regulations.

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

Mrs. Maithili Siswawala (DIN: 07107622) is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

In the opinion of the Board, Mrs. Maithili Siswawala (DIN: 07107622) fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is also Independent of the management.

Details of Mrs. Maithili Siswawala (DIN: 07107622), whose re-appointment as Independent Director is being proposed at Item No. 4 has been provided in the "**Annexure -1**" to the Notice pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Mrs. Maithili Siswawala (DIN: 07107622) setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mrs. Maithili Siswawala (DIN: 07107622) is the only interested Director in the resolution set out at Item No. 4 of the Notice with regard to her re-appointment. The relatives of Mrs. Maithili Siswawala (DIN: 07107622) may be deemed to be interested in the respective resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the passing of Special Resolution set out at Item No. 4 of the Notice for approval by the members.

Information about the Directors seeking appointment / re-appointment / approval of remuneration etc. as required under clause 1.2.5 of the Secretarial Standard - 2:

Sr. No.	Particulars	Mr. Aditya Patel		Mrs. Maithili Siswawala
1.	Age	44 Years		54 years
2.	Qualification	B.A. Economics		Diploma in Applied Art (Commercial Art)
3.	Experience (including expertise in specific functional area)/Brief Resume	Businessman having Experience in Chemical Industry		Freelance Consulting in advertising
4.	Terms and Conditions of Appointment/Re- Appointment/ approval of remuneration etc.	As mentioned in resolution no. 3 to the Notice		Mrs. Maithili Siswawala Shall be bound by Schedule IV of the Companies Act, 2013 during her tenure as Independent Director
5.	Remuneration last drawn	Particulars		NA
		Salary	9,60,000/-	
		Perquisites	1,50,000/-	
		Total	11,10,000/-	
6.	Remuneration proposed to be paid	As mentioned in resolution no. 3 to the Notice		NA
7.	Date of first appointment on the Board	August 14, 2012		March 17, 2015
8.	Shareholding in the Company	104,499		NIL
9.	Relationship with other Directors/Key Managerial Personnel	Son of Mr. Amit Patel who is Non Executive Director of the Company		Not related to any of the Directors or Key Managerial Personnel or Promoters of the Company
10.	Number of meetings of the Board attended during the financial year	3		3
11.	Directorships of other Boards	CAFFIL PVT LTD		FREEDOMGURU REFLECTIONS PRIVATE LIMITED
12.	Membership/ Chairmanship of Committees of other Boards	Membership: NIL Chairmanship: NIL		NIL

DIRECTORS' REPORT

Dear Members,

Your Directors present their 31st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2023.

1. DIRECTORS' REPORT

(₹ in Lakhs)

	2022-2023		2021-2022	
	₹		₹	
Sales etc. and other income		111.03		862.26
Profit/(Loss) before Depreciation, Interest and Tax		(144.82)		(156.99)
Less: Depreciation	121.46		112.57	
Interest	0.61		3.28	
		122.07		115.85
Profit before Tax		(266.89)		(272.84)
Provision for Tax				
Current Tax			-	
Deferred Tax	26.14		20.85	
Earlier Years	-		1.63	
		26.14		22.48
Profit/ (Loss) after Tax		(240.75)		(250.35)

2. OPERATIONS

During the year under review, your Company's Revenue from operations has declined by @87.12% i.e. from 862.26 lakh in previous year to 111.03 lakh.

3. DIVIDEND

To conserve resources your Directors do not recommend Dividend.

4. DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

5. ANNUAL RETURN

The provisions of section 134 of Companies Act, 2013 was amended vide Companies Amendment Act, 2017 and the said amendment was brought in force w.e.f. 31st July 2018. Further, the provisions of section 92(3) were Substituted by the Companies (Amendment) Act, 2017 Effective from 28th August 2020. Accordingly, the requirement of attaching the extract of Annual Return, in format MGT -9 with the Directors Report has been dispensed off.

However, the web link where the Annual Return shall be placed is given below: <http://www.daikaffil.com>

6. TRANSFER TO GENERAL RESERVES

The Company doesn't propose to transfer any amount to be transferred to General Reserves.

7. DIRECTORS' AND KEY MANAGERIAL PERSONNEL

A. Independent Directors:

The Company as on March 31, 2023 has three Independent Directors on Board:

1. Mr. Sudhir Patel
2. Mr. Sunil Merchant
3. Mrs. Maithili Siswawala

All Independent Directors have furnished declarations that they meet the criteria of Independence as laid down under section 149 of the Companies Act, 2013.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

A separate meeting of the Independent Director was convened on November 11, 2022, which reviewed the performance of the Board, the Non-Independent Directors and the Chairman.

Mrs. Maithili Siswawala was appointed as Independent Director on Board under the Companies Act, 2013 in the Annual General Meeting held on August 02, 2019 for a period of Five years.

The term of Mrs. Maithili Siswawala is coming to an end on May 23, 2024. The Board of Directors at their meeting held on May 22, 2023 has re-appointed Mrs. Siswawala for a further period of five years on recommendation of Nomination and Remuneration committee.

The Board of Directors based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee considers that, given the background, experience and contribution made by Mrs. Siswawala during her tenure, the continued association of Mrs. Siswawala would be beneficial to the Company and it is desirable to continue to avail her services as Independent Director for second term. Accordingly, it is proposed to re-appoint her as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Her reappointment for a further period of Five years commencing from May 23, 2024 is subject to approval of shareholders at the ensuing annual general meeting. Accordingly, a resolution proposing her re-appointment forms part of the notice of the ensuing annual general meeting. All the relevant details with regard to her re-appointment as Independent Director forms part of explanatory statement to the notice.

B. Retire by Rotation:

Mr. Aditya Patel, Director, retires by rotation at the ensuing Annual General Meeting. He, being eligible, has offered himself for re-appointment as the Director of the Company.

C. Key Managerial Personnel:

As on March 31, 2023 the following are the Key Managerial Personnel:

- i. Mr. Aditya Patel – Managing Director;
- ii. Mr. Sunil Shedge – Chief Financial Officer;
- iii. Mrs. Seemab Ansari – Company Secretary.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 22, 2023 approved advance re-appointment of Mr. Aditya Patel as Managing Director for a further period of three years commencing from June 01, 2024.

Accordingly, resolution proposing his re-appointment has been incorporated in the Notice calling the ensuing Annual General Meeting, for the approval of Members and all the relevant information pertaining to his re-appointment forms part of the explanatory statement to the Notice calling the ensuing annual general meeting.