

44th
ANNUAL REPORT
2019 – 2020



Diamines and Chemicals Limited
CIN NO: L24110GJ1976PLC002905

FINANCIAL HIGHLIGHTS OF THE LAST DECADE

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FINANCIAL YEAR ENDING		31.03.2010	31.03.2011	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020
TOTAL REVENUE (INCLUDING EXCISE DUTY)		5883.13	9119.77	7315.43	6411.36	4947.08	4338.38	3984.76	3882.38	4,001.11	4,828.11	7,138.46
OPERATING PROFIT (LOSS)(PBIDT)		1867.79	2515.40	1077.91	834.83	620.22	514.09	482.18	940.97	1,203.24	1,989.61	3,731.61
PROFIT (LOSS) BEFORE INCOME TAX		1446.93	2028.43	503.45	215.01	79.31	(29.75)	8.52	573.59	823.93	1781.91	3517.34
PROFIT (LOSS) AFTER INCOME TAX		935.42	1470.99	360.42	170.04	75.04	(155.38)	25.33	479.81	708.90	1313.18	2398.58
GROSS FIXED ASSETS		5461.06	5782.02	6333.72	6454.92	6535.36	6536.99	6532.37	2,739.18	2,801.98	3,036.54	3,291.61
NET FIXED ASSETS		3002.75	3124.11	3450.15	3323.45	3151.35	2929.99	2733.10	2544.58	2413.87	2444.91	2041.15
NET CURRENT ASSETS		1298.07	63.80	179.35	89.98	235.96	387.80	304.52	1617.33	2011.26	2641.79	4523.11
EQUITY SHARE CAPITAL		652.22	652.22	978.32	978.32	978.32	978.32	978.32	978.32	978.32	978.32	978.32
RESERVES & SURPLUS (excluding revaluation reserve)		1449.15	2128.49	2049.10	2161.92	2236.96	2070.24	2103.10	2779.26	3282.66	3902.71	5539.65
BOOK VALUE (Rs.)		32.22	42.63	30.94	32.10	32.87	31.16	31.50	38.40	43.55	49.89	66.62
EARNING PER SHARE (Rs.)		14.34	22.55	3.68	1.74	0.77	(1.59)	0.26	4.90	7.25	13.42	24.52
EQUITY DIVIDEND (%)		20%	60%	10%	5%	-	-	-	15%	25%	50%	80%

Notes:

- Figures are rupees in lakhs except book value and earning per share which are absolute rupee value per equity share and proposed dividend which is in percentage on equity share nominal value.
- Figures from the year ended 31st March, 2017 Onwards are as per Ind AS.
- Operating profit for the year ended 31st March, 2018 is before exceptional item.
- The Company, as a measure of utmost conservatism, has recognised probable impairment loss amounting to ₹ 452.38 Lakhs in respect thereof for the year ended on 31st March, 2020.

BOARD OF DIRECTORS

Mr. Yogesh Kothari (up to 18.11.2019)	Chairman
Mr. Amit Mehta (w.e.f. 01.04.2020)	Executive Chairman
Mr. G. S. Venkatachalam	Executive Director
Mr. Kirat Patel (up to 18.11.2019)	Director
Mr. Rajendra Chhabra	Independent Director
Mr. Dhruv Mehta (w.e.f. 03.12.2019)	Independent Director
Dr. Ambrish Dalal	Independent Director
Mr. Shreyas Mehta (up to 02.12.2019)	Independent Director
Mrs. Kejal Pandya	Independent Director

Company Secretary
Ms. Hemaxi Pawar

Chief Financial Officer
Mr. Dipen Ruparelia

Auditors

M/s K. C. Mehta & CO.
Chartered Accountants
Meghdhanush, Race Course, Vadodara – 390 007, India.

Bankers

State Bank of India, Vadodara

Registered Office & Works

Plot No. 13, PCC Area, P. O. Petrochemicals,
Vadodara – 391 346.
Tel: (91) (0265) 3920200 Fax: (91) (0265) 2230 218
Email: info@dacl.co.in • Web Site: www.dacl.co.in

Registrar & Share Transfer Agent

M/s Link Intime India Pvt. Ltd.
B-102 & 103, Shangrila Complex,
First Floor, Opp. HDFC Bank,
Near Radhakrishna Char Rasta,
Akota, Vadodara - 390 020 Gujarat, India.

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NOTICE

NOTICE is hereby given that the **44th (Forty-Fourth)** Annual General Meeting (AGM) of the members of M/s. Diamines and Chemicals Limited will be held Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on Friday, the **4th Day of September, 2020** at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended on March 31, 2020 together with the Reports of the Board of Directors' and Auditors' thereon for the year ended on March 31, 2020.
2. To appoint a Director in place of Mr. Amit Mehta (DIN: 00073907) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. G. S. Venkatachalam (DIN: 02205898) who retires by rotation and being eligible, offers himself for re-appointment.
4. To confirm the payment of Interim Dividend on Equity Shares for financial year 2019-2020 and to declare Final Dividend of ₹ 4/- per Ordinary (Equity) share of ₹ 10/- each for the financial year 2019-2020.

SPECIAL BUSINESS:

5. Ratification of Remuneration to Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148 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 consent of the Company be and is hereby accorded for the payment of remuneration of ₹ 45,000/- (Rupees Forty Five Thousand only) (Inclusive of all) plus applicable taxes, to M/s. Diwanji & Co., Cost & Management Accountants, Vadodara (Firm Registration No. 000339) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2020-21."

6. Appointment of Mr. Amit Mehta as an Executive Chairman

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 of the Companies Act, 2013, read with Schedule V and other applicable provisions of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force)

and subject to any other approval/(s) as may be necessary, in consideration of the recommendation of Nomination and Remuneration Committee and further approval of Board of Directors, the Company hereby approves the terms of appointment and remuneration of Mr. Amit Mehta (DIN: 00073907) as an Executive Chairman of the Company for a further period of 3 (Three) years from April 01, 2020 to March 31, 2023, on terms and conditions and duties as set out in the agreement as placed before the members for the purpose of identification with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment as may be mutually agreed between the Board and Mr. Amit Mehta, liable to retire by rotation."

"RESOLVED FURTHER THAT the remuneration and perquisites including the monetary value thereof as specified in the draft agreement may be varied, increased, expanded, enhanced, enlarged, widened or altered in accordance with the provisions relating to the payment of Managerial remuneration under the Companies Act, 2013 or any amendments thereof or re-enactments thereof and that the aforesaid draft agreement between the Company and Mr. Amit Mehta be suitably amended to give effect to the same in such manner as may be agreed to between the Board and Mr. Amit Mehta, subject to the condition that the remuneration shall not be exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT Mr. G. S. Venkatachalam, Executive Director of the Company be and are hereby authorized to enter into an agreement on behalf of the Company with Mr. Amit Mehta in terms of the aforesaid draft agreement with modifications if any, and that the common seal of the Company be affixed thereto in the presence of Mr. G. S. Venkatachalam, Executive Director of the Company."

"RESOLVED LASTLY THAT the Board of Directors of the Company (including Committee(s) of 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 in the manner most beneficial to the company."

Place: Mumbai

Date: June 19, 2020

CIN NO: L24110GJ1976PLC002905

REGISTERED OFFICE:

Plot No.13, PCC Area,

P.O. Petrochemicals,

Vadodara -391 346

By Order of the Board

Hemaxi Pawar

Company Secretary

Membership No.: A52581

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / 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 AGM and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent by email through its registered email address to the Company at secretarial@dacl.co.in
5. Registration of email ID and Bank Account details:

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 addresses 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. (Link https://www.linkintime.co.in/EmailReg/Email_Register.html)

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.
6. The Explanatory Statement, for Item No. 5 & 6 pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of this notice. The relevant details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, of persons seeking appointment / re-appointment as Directors under Item No. 2, 3 & 6 of the Notice, are also annexed.
 7. The Register of Members and the Share Transfer Books of the Company will remain closed from **August 29, 2020, 2020 to September 04, 2020** (both days inclusive).
 8. 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.
 9. Relevant documents, reports, orders, notice or other papers referred to in the accompanying Notice 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 on all working days by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 04, 2020. Members seeking to inspect such documents can send an email to secretarial@dacl.co.in at least 48 hours before the date of Annual General Meeting.
 10. Pursuant to applicable provisions of the Companies Act, 2013, as applicable from time to time, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to Investor Education and Protection Fund established by the Central Government. The Company during the year has transferred the unclaimed dividend amount of Final Dividend for the financial year 2011-12 to the Investor Education and Protection Fund of the Central Government. Members who have not claimed their Final dividend for the financial year 2012-13 are requested to claim their unclaimed dividend before August 30, 2020. Members who have not en-cashed their above Dividend Warrants may approach to the Company/RTA immediately for revalidation. The Company shall thereafter as mentioned above; process to transfer the unclaimed dividend amount to the Investor Education and Protection Fund and no claim shall lie against the Company for the said amount of unclaimed dividend so transferred. A sum of ₹ 2,12,103/- has been transferred to the Investor Education and Protection Fund in the year 2019 towards unclaimed/unpaid dividend for the Final Dividend for the financial year 2011-12.

11. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the National Electronic Clearing System (NECS)/National Automated Clearing House (NACH). **It is in Members interest to avail NECS/NACH facility as it is quick and much convenient way of getting dividend directly in your bank account.** Members desirous of availing NECS/NACH facility are requested to submit bank particulars in ECS Mandate Form to the company's Registrar and share Transfer Agent. The format is available on the website of the Company at www.dacl.co.in or update bank details as mentioned in point no.5 of Notes.
12. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid / unclaimed for seven consecutive years or more have been transferred to the IEPF Account.
13. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a duly signed physical copy of the same to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
14. 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 required to submit their PAN to their Depository Participants and Members holding shares in physical form shall submit their PAN to Company's Registrar & Share Transfer Agent or to the Company Secretary at the registered office of the Company.
15. Members are requested to notify immediately:
 - (a) Any change in their residential address.
 - (b) Income-tax Permanent Account Number (PAN).
 - (c) Bank details – Name and address of the bank; A/c No.; type of A/c
16. Non-Resident Indian Shareholders are requested to inform the Company immediately:
 - (i) The change in the Residential Status on return to India for permanent settlement;
 - (ii) The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.

17. Members seeking any information or clarification on the Accounts and operation of the Company are requested to send email on secretarial@dacl.co.in to the Company, at least **ten days before** the date of the annual general meeting. Replies will be provided in respect of such queries received only at the meeting.
18. Members are requested to address their communications regarding transfer of shares, change of address, dividend mandates, etc. quoting their folio number(s) to the Company's Registrar & Transfer Agent:

M/s. Link Intime India Pvt. Ltd.
B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank,
Near Radhakrishna Char Rasta,
Akota, Vadodara – 390 020.
Te. (0265) 2356573
Email: vadodara@linkintime.co.in
19. **The Company will not entertain any direct request from Members for deletion/change in the bank account details furnished by Depository Participants to the Company.**
20. SEBI, vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, amended Regulation 40 of SEBI Listing Regulations pursuant to which after March 31, 2019 transfer of securities could not be processed unless the securities are held in the dematerialized form with a depository. Members holding shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode as per extension of the deadline announced by SEBI.
21. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agent, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
22. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in Demat form; the nomination form may be filed with the respective Depository Participant.

23. The Company had made bonus issue of equity shares at the AGM held on 12th July, 2011, and had made an allotment of Bonus shares on 21.07.2011 to the shareholders, who were eligible. Pursuant to Clause 5(A) of the erstwhile Listing agreement, shares which are unclaimed after necessary reminders given to the shareholders, have already been credited to "Demat Suspense Account". Hence, the Company requests such shareholders, who have not yet claimed such bonus shares, that they communicate the Company's RTA and claim such shares at their end.
24. As per sub clause F of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the Company shall disclose the following details in its Annual Report, as long as there are shares in the suspense account:
- (i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; **940 Shareholders & 26,181 shares**
 - (ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: **Nil (Company has sent notices to Shareholders whose Shares are unclaimed since seven years with regards to Transfer of Shares to IEPF Account)**
 - (iii) Number of shareholders to whom shares were transferred from suspense account during the year: **Nil**
 - (iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; **940 Shareholders & 26,181 shares**
 - (v) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.
25. In line with the measures of Green Initiative, Companies Act, 2013, provides for sending notice of the meeting along with annual report to the Members through electronic mode. Members holding shares in physical mode are requested to register their e-mail Id's with the Company/RTA/as procedure mentioned in point no.-5 of Notes. Members holding shares in dematerialised mode are requested to register their e-mail Id's with their respective DPs. If there is any change in the e-mail id already registered with the Company/RTA, Members are requested to immediately notify such change to the Company/RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.