PUNJAB CHEMICALS
AND CROP PROTECTION LTD.
ISO 9001:2015 & ISO 14001:2015 Certified Company

46th Annual Report **2021-22**

APPLYING SCIENCE EXPLORING IDEAS

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KEY HIGHLIGHTS

Financial Year 2021-22

Revenue

₹ 933.46 crores

38%

EBITDA

₹ 140.62 crores

EBITDA Margin 15%
EBITDA 44%

Profit after Tax

₹ 83.46 crores

PAT Margin 8.94%
PAT 70%

Cash Profit

₹ 100.13 crores

Proposed Cash Dividend

30%

₹ 3 per share

RoE

45%

Order Book with long-term contracts

₹ 1,500.00 crores

Increase Y-o-Y

उद्यमेन हि सिध्यन्ति
कार्याणि न मनोरथैः

20.07.1932 - 18.12.1997

S D SHROFF

(Known to all as 'Sasubhai')

He dared. He cared. He shared.

His vision to grow the Company remains .....

Tapping the promise of all-round expansion

At the back of two most successful years so far, despite the most disruptive and challenging operational environment, Punjab Chemicals and Crop Protection Limited (PCCPL) is keen on moving into its next phase of growth. The Company is well-positioned to reap the benefits of a strong foundation laid over the last four decades.

PCCPL is keen to leverage its trusted value chain partner positioning in the current geographies to approach new customers within the same regions and expand into newer ones. At the same, to continue to be the preferred partner for contract manufacturing, PCCPL is interested in servicing the demand for newer and niche molecules. Catering to these markets allows the Company to explore horizontal expansion as well as tap the potential of vertical integration along the value chain.

Such customer-centricity will continue to be PCCPL's guiding value that also allows it to keep an optimal and enhanced product mix. The diversification, deeper within the agrochemicals, and speciality and other chemical sectors, not only mitigates risk but also allows the Company to take advantage of the opportunities presented by the varying and increasing market needs.

THE PCCPL'S IDENTITY

An aptitude for growth

The Company has evolved over four decades from Punjab United Pesticides & Chemical Limited (PUPCL) to its current form as Punjab Chemicals and Crop Protection Limited (PCCPL). Ever since its foundation in 1975, PCCPL has been dynamic in its approach in adapting to the operational and market needs. This agility has led to the record-breaking growth in the recent years and makes way for the road ahead.

Vision

PCCPL aims to establish itself as one of the important value chain partners in the CRAMS space. As a trusted technical source we deliver to our existing and new customers a range of products of established quality, generic or patented molecules in agrochemical, speciality and industrial chemicals, guaranteeing exclusivity of technology.

Journey...

Establishment and Diversification

1975
- Foundation

1983
- Speciality Chemicals

1995
- Agrochemicals
- ISO 9002 Certification

Operational Excellence and Integration

2000
- ISO 14001: 2015 Certification

2001
- ISO 9001: 2015 Certification

2003
- Diversification: Pharma Bulk Drugs
- M&A: Alpha Drug Pharma

2006
- Integration in one entity

Innovation and Expansion

2016
- Foray into CRAMS business model

2018
- Capacity expansion: Agrochemicals

Top and Bottom-line Growth

2021
- Highest EBITDA in 10 years

2022
- Highest ever EBITDA and PAT
- Export Excellence Award

2022
- Specialty and Other Chemicals
- ISO 45001:2018 Certification

Domestic and International Presence

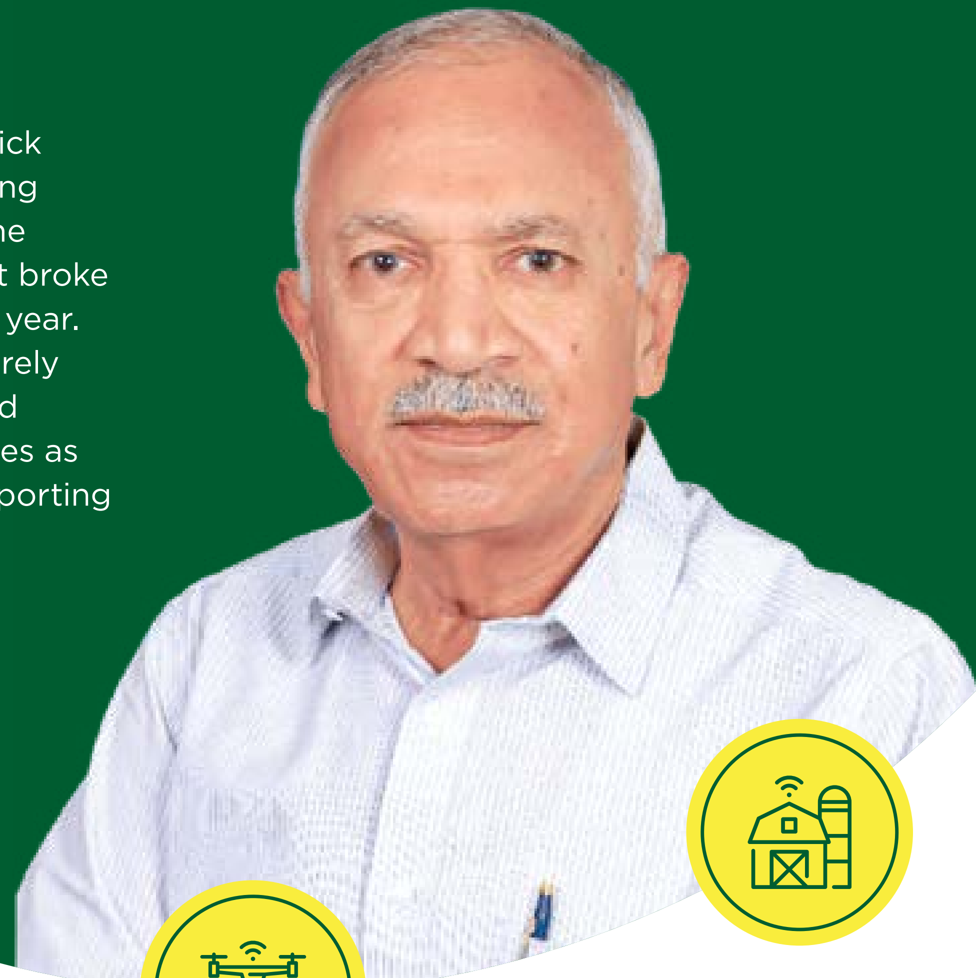
As an established and ever-growing agrochemicals and speciality chemicals company, PCCPL's eyes are now set on increasing its foothold in the CRAMS segment. The Company is building on its modern manufacturing facilities across India and serving a consistently increasing needs of its valued customers, domestic and international.

Manufacturing Plants

The plants are located at Derabassi, Lalru and Pune. All three plants are ISO (9001:2015 certified, whereas Derabassi and Lalru Plant are ISO 14001:2015 certified and Pune Plant is FSSC 22000 and FSSAI certified.

For the financial year 2021-22, the capacity utilisation at our Derabassi, Lalru and Pune plants was 85%, 70% and more than 95% respectively.

CHAIRMAN'S MESSAGE



Dear Shareholders,

FY 2021-22 witnessed a quick recovery despite the ongoing COVID-19 pandemic and the Russia-Ukraine conflict that broke out towards the end of the year. The pandemic did not severely affect the agrochemical and speciality chemical industries as these were essential in supporting the global food and health supply chain.

However, the disruption in logistics and the global supply chain, along with the sharp increase in energy and commodity prices impacted our raw material availability and its prices.

Industry review

Agriculture has been the primary source of livelihood for more than 50% of India's population, and represents around 16% of the country's Gross Domestic Product. It is indeed worth pointing out that the industry was largely unaffected in India during the course of the COVID-19 pandemic, and a 3.3% growth in FY 2021-22 is estimated, which is similar to that of FY 2020-21.

With shifting crop mix trends, and environmental laws, the agrochemical industry is in a constant state of evolution. Food security, the growing population, shrinking arable land, and the need for increased agricultural productivity drive the industry's growth.

The disruption of global supply chains led to the subsequent formation of new partnerships. Another important change observed in our business environment has been the adoption of the 'China Plus One' strategy by global companies. India, with its inherent competitive advantages, is a preferred outsourcing destination for chemicals and is establishing itself as an important component in the innovation value chain for the world. As a result, our established CRAMS business is positioned well on a high-growth trajectory.

As an important player in the agrochemicals industry, we are committed to enhance our capabilities, provide more impetus towards R&D and product development, and expand our portfolio. To achieve this, we are working closely with major chemicals and agrochemicals producers in India and across the world, while looking at delivering attractive and sustainable options to our partners.

Performance Review

We delivered a stellar performance in FY 2021-22 with consolidated revenue growth of 38% Y-o-Y to ₹ 933 crores. Our revenues were driven by growth in existing products and the commercialisation of two new contracts with international clients. Each of these contracts has the potential to generate annualised revenues of ₹ 100 crores and will perform to its full potential in the current year.

EBIDTA soared by 46% to ₹ 140 crores during the financial year with PAT for the year at ₹ 83 crores. The global supply chain disruptions and inflationary pressures impacted our operations during the year. Nevertheless, our EBTIDA margins improved by 90 bps Y-o-Y to 15.1% on account of a higher share of CRAMS business.

The majority of our contracts are long-term with MNCs with an understanding to pass on material price fluctuations to the customers, thus protecting our margins. Further, we are bringing our raw materials sources closer to us to ensure reliability, competitiveness and quality. Further, we identified local producers for some basic raw materials.

The capacity utilisation at our Derabassi, Lalru, and Pune plants was 85%,70% and over 95%, respectively. Our Company continues to deliver a strong return ratio, with Return on Equity at 37% and Return on Capital Employed at 40% in the current financial year.

On the back of this performance, I am happy to report that the Board of Directors have recommended a dividend of 30% (3.00 per equity share) for FY 2021-22.

Strategic Update

We have made advancements in the CRAMS space by identifying huge opportunities and penetrating into different markets and geographies. We are expanding our presence, geographically and in different crops, with new product introduction. Our aim is to become one of the most trusted technical sources for our customers, in the areas of products with continuous innovation, and new processes and technologies. We will continue to grow by way of exclusive tie-ups with reputed patent owners.

About 2/3rd of our portfolio comprises agrochemicals and about 1/3rd of business is in performance chemicals, including intermediates and industrial chemicals. In agrochemicals, growth will be driven by a mix of existing and new products. We have a well established portfolio of more than 10 products in contract manufacturing for MNCs and Indian companies. We are developing new intermediates, which are expected to be commercialised over the next two years. Additionally, we expect growth in existing molecules as our customers have acquired registrations in new areas, as well as expanding market share in existing geographies.

The performance of industrial chemicals division has been exceptional. Doubling over the year, the segment is poised to witness another year of strong performance, based on the visibility we have with our export customers. Intermediates and APIs are also expected to deliver double-digit growth in the coming years.

Overall, new agrochemical product launches, data generation for registrations in the global market, along with market access for REACH compliance for industrial chemicals in Europe, the UK, and Turkey markets will enhance the top and bottom line growth in the medium to long-term.

Outlook

Our target is a revenue of ₹ 1,500 crores over the next two years, based on our order book and contracts. We will strive to increase our EBITDA margins further on the back of new high-value products and investments in new improved and efficient technologies. This journey towards making our CRAMS business bigger will continue as we are in discussions with several global players.

Going forward, we will be broad-basing our product profile. We expect 7-8 products with long-term contracts and registrations that will include 5-6 agrochemical products, and the rest from speciality intermediates, over the next 2-3 years. In intermediates—to be supplied to leading Indian and MNC companies—two molecules are expected to commercialise in FY 2023. We have a contract with a Japanese client that start contributing from FY 2023.

Closing comments

We want to establish ourselves as an industry leader in the CRAMS space and stay committed to providing shared value to the communities we live and operate in. At Punjab Chemicals, we want to be consistent in our work and produce innovative products for agriculture that will ensure sufficient food supply, without any excessive pressure on the environment. Looking forward to FY 2023, our Company is ready to move into its next phase of growth.

I would like to extend my immense gratitude to our customers and our shareholders for their continued support. Without their confidence, achieving our mission to become India's most trusted companies in the CRAMS business would not have been possible.

With best wishes,

Mukesh D Patel
Chairman

KEY PERFORMANCE INDICATORS

Striding on an upward growth trajectory

Profitability

Revenue (₹ in crores)

FY21-22	**933.46**
FY20-21	678.18
FY19-20	549.56
FY18-19	642.94
FY17-18	495.92

17.1% CAGR

EBITDA (₹ in crores)

FY21-22	**140.62**
FY20-21	97.33
FY19-20	55.57
FY18-19	64.62
FY17-18	55.88

25.9% CAGR

EBIT (₹ in crores)

FY21-22	**123.95**
FY20-21	82.47
FY19-20	40.22
FY18-19	46.02
FY17-18	41.94

31.1% CAGR

PAT (₹ in crores)

FY21-22	**83.46**
FY20-21	49.08
FY19-20	10.75
FY18-19	16.80
FY17-18	17.18

48.4% CAGR

Operating Margin (%)

FY21-22	**13.27**
FY20-21	12.16
FY19-20	7.32
FY18-19	7.16
FY17-18	8.46

EBITDA Margin (%)

FY21-22	**15.06**
FY20-21	14.35
FY19-20	10.11
FY18-19	10.05
FY17-18	11.27

PAT Margin (%)

FY21-22	**8.94**
FY20-21	7.24
FY19-20	1.96
FY18-19	2.61
FY17-18	3.46

Revenue Split ((%) ₹ in crores)

FY21-22	**933.46**
FY20-21	678.18
FY19-20	549.56
FY18-19	642.94
FY17-18	495.92

Revenue Split (%)	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Domestic	199.62	231.81	206.46	255.61	443.36
Export	296.30	411.13	343.10	422.57	490.10
Total	**495.92**	**642.94**	**549.56**	**678.18**	**933.46**
Domestic	40%	36%	38%	38%	48%
Export	60%	64%	62%	62%	52%*

EPS (₹)

FY21-22	**68.07**
FY20-21	40.03
FY19-20	8.77
FY18-19	13.70
FY17-18	14.01

Balance Sheet

D/E Ratio (%)

FY21-22	**1.44**
FY20-21	2.08
FY19-20	2.96
FY18-19	3.08
FY17-18	3.79

ROCE (%)

FY21-22	**40.29**
FY20-21	34.71
FY19-20	24.14
FY18-19	42.48
FY17-18	27.20

ROE (%)

FY21-22	**45.09**
FY20-21	40.52
FY19-20	11.40
FY18-19	20.36
FY17-18	25.92

CARING FOR THE PLANET AND PEOPLE

Giving back to the ecosystem

PCCPL firmly believes in contributing to the growth of the people and community it operates in. It strives to go above and beyond the call of regulatory requirements to keep its environment green and safe for the people living and working in it. The Company's Corporate Social Responsibility (CSR) activities are focussed on developing communities in regions where the manufacturing plants are situated.

Nurturing the planet

The Company continually strives to reduce its carbon footprint and preserve natural resources. PCCPL is committed to a clean and healthy environment in and around its manufacturing sites. It has approved Effluent Treatment Plants with incinerators to treat the waste materials in Derabassi and Lalru units. For the disposal of solid waste, it has a tie-up with Common Effluent Treatment Plants close to the manufacturing sites.

In addition, PCCPL sources all materials from sustainable avenues and adopts responsible transportation in the normal course of its business. This is done through a standard operating procedure for approving vendors based on their sustainability.

The Company also tries its best to minimise waste. Not only does this make processes efficient, it also helps contribute to eco-friendly practices. The Company's units are declared as Zero Liquid Discharge units with water being recycled or reused appropriately. The units have achieved 100% wastewater recovery by using it in-house. The unit also recovers 100% of its solvents for in-house utilisation.

PCCPL uses renewable energy and energy efficiency measures in its operations wherever possible. It also continues to enhance its plantation cover within all its premises. Energy audits are conducted and the suggestions received are implemented.

100%
Wastewater Recovery

100%
Solvent Recovery

For its people

PCCPL consistently tries to build a congenial atmosphere for its employees through its policies and initiatives. It appreciates the importance of a clean and safe operational environment. In order to ensure the safety of its employees, the Company conducts internal and external safety audits routinely, including trainings and mock drills.

Towards the Community

PCCPL's CSR efforts are guided towards developing the areas where it has manufacturing sites. Through the year, the Company has continued its earlier endeavours and initiated new ones. From creating better infrastructure in schools through construction of canteens and toilets, painting the school walls, providing projectors, benches, and water coolers to conducting vaccination drives, medical and eye camps, PCCPL has contributed to the development of the regions it has operations in. Moreover, it has made donations to various organisations and constructed outside structures at a cremation ground. Please refer to the Management and Discussion Analysis for detailed CSR section.

Additionally, PCCPL prefers local service providers enabling local economy development for routine manufacturing activities, whenever available. Towards this end, the procurement and technical teams interact with local producers and service providers to avail their services. The teams also guide capacity building of local vendors and service providers by providing methods of improving quality of goods and services provided.

Focus on general welfare

Infrastructure in Schools

Water Dispenser Installed in School under CSR

Safety drill at plant

Vaccination and Medical/Eye Camps

Tree Plantation

Donations for Orphans and Disabled

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

CIN: L24231PB1975PLC047063
Registered Office: Milestone 18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi,
Dist. SAS Nagar, Mohali (Punjab)- 140201,
Telephone Nos.: 01762- 280086, 280094 Fax Nos.: 01762-280070
E-mail: info@punjabchemicals.com; website: www.punjabchemicals.com

NOTICE

NOTICE is hereby given that the 46^{th} Annual General Meeting of the Members of Punjab Chemicals and Crop Protection Limited will be held on Wednesday, the 10^{th} August, 2022 at 10.30 a.m. (IST) through Video Conferencing / Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS

To consider and if thought fit to pass the following resolutions as Ordinary resolutions:

Item no. 1 - Adoption of financial statements

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31st March, 2022 and the reports of the Board of Directors ("the Board") and auditors thereon.

"RESOLVED THAT the Audited Financial Statements (Standalone and Consolidated) of the Company, Report of the Board of Directors and the Auditors' thereon for the financial year ended on 31^{st} March, 2022 alongwith Annexures as laid before this Annual General Meeting be and are hereby received, considered, approved and adopted."

Item no. 2 - Declaration of Dividend

To declare a dividend on Equity Shares of the Company for the financial year ended 31st March, 2022.

"RESOLVED that a dividend of ₹3 /- (Three rupees) per equity share (30%) recommended by the Board of Directors be and is hereby declared on the equity shares of ₹10/- (Ten rupees) each fully paid-up of the Company for the year ended 31^{st} March, 2022 and be paid, subject to deduction of tax at source and, in accordance with the provisions of Section 123 and the other applicable provisions, if any of the Companies Act, 2013."

Item no. 3 - Appointment of Mr Avtar Singh as a Director, liable to retire by rotation

To appoint Mr. Avtar Singh (DIN 00063569) as a Director liable to retire by rotation and, being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Avtar Singh (DIN 00063569), a Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment as Director of the Company be and is hereby re-appointed as a Director of the Company. "

Item no. 4 - Reappointment of M/s. B S R & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company

"RESOLVED THAT pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the audit committee and the Board of Directors of the Company, M/s. B S R & Co. LLP, Chartered Accountants, Mumbai having ICAI Firm Registration No.101248W/W-100022, who have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the above mentioned Rules, be and are hereby appointed as the Statutory Auditors of the Company for the second term of five consecutive years, who shall hold office from the conclusion of this 46^{th} AGM till the conclusion of the 51^{st} AGM, to be held in the year 2027 at such remuneration as may be determined by the Board of Directors of the Company (including its committees thereof).

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

SPECIAL BUSINESS

Item no. 5 - To revise the terms of remuneration of Mr. Shalil S Shroff (DIN: 00015621), Managing Director.

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

"RESOLVED that in terms of provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, including any statutory modifications or re-enactment thereof, and the Articles of Association and on recommendation of the Nomination & Remuneration Committee and the Board of the Directors of the Company and in furtherance of the special resolution passed by way of Postal Ballot dated 28^{th} December, 2020 (Postal Ballot Notice dated 20^{th} November, 2020) and subject to such other approvals as may be necessary, approval of the Members be and is hereby accorded for revision in the terms of remuneration including commission to Mr. Shalil S Shroff, (DIN: 00015621), Managing Director, w.e.f. 1^{st} September, 2022 till the remaining period of his appointment upto 14^{th} January, 2024, notwithstanding that such remuneration, pursuant to Section 197 of the Companies Act, 2013, may exceed 5% but shall not exceed 10% of the Net Profit of the Company computed as per the provisions of Section 198 of the Act, and Minimum Remuneration in the event of inadequacy or absence of profits during the financial year, as set out in "Annexure 1" of the explanatory statement comprising salary, perquisites and benefits to be paid to the Managing Director, as approved by the Board of Directors.

RESOLVED FURTHER that the Board (which will include its committee thereof) be and is hereby authorised to vary and / or revise the remuneration of Mr. Shalil S Shroff, Managing Director as set out in the revised terms of remuneration in the Explanatory Statement.

RESOLVED FURTHER that save and except as aforesaid, all other existing terms and conditions of reappointment of Mr. Shalil S Shroff passed by way of Postal Ballot dated 28^{th} December, 2020 (Postal Ballot Notice dated 20^{th} November, 2020) shall continue to remain in full force and effect.

RESOLVED FURTHER that the Board (which will include its committee thereof) be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings including filing of forms with the Registrar of Companies as may be required to give effect to the aforesaid Resolution."

Item no. 6 - To ratify the remuneration payable to the Cost Auditors of the Company for the financial year ending 31st March, 2023.

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 other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon recommendation of the Audit Committee and as proposed by the Board of Directors, consent of the Members be and is hereby accorded for the payment of remuneration of ₹ 1,80,000 /- (Rupees One lakh Eighty Thousand only) plus applicable taxes thereon and reimbursement of out of pocket expenses at actuals to be paid to M/s. Khushwinder Kumar & Co., Cost Accountant, Jalandhar, (Firm Registration No.100123) who has been appointed by the Board as the Cost Auditors of the Company for the financial year 2022-2023.

Notes

1. The Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item No. 4, 5 & 6 of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at this AGM is also annexed.

2. Pursuant to the General Circulars 2/2022 and 19/2021, other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13^{th} May, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

   In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and above referred MCA Circulars, SEBI Circulars, the AGM of the Company is being held through VC / OAVM on Wednesday, the 10^{th} August, 2022 at 10:30 a.m. (IST). The deemed venue for the meeting shall be the registered office of the Company at Milestone 18, Ambala Kalka Road Bhankharpur, Derabassi Dist. S.A.S. Nagar, Mohali-140201.

3. As this AGM is being held through VC / OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice. The Route Map is also not required to be annexed to the Notice.

4. The facility for joining AGM through VC/OVAM will be available for up to 1,000 Members who may join on a first come first serve basis. However, the above

Notice

restriction shall not be applicable to the members holding more than 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel(s), the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and the window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.

5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Institutional Investors / Corporate Shareholders (i.e. other than Individual / HUF / NRI etc) can appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-Voting. They are requested to send a certified copy of the Board Resolution of authorisation to the Scrutiniser by e-mail at cspsdua@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

7. In case of Joint Holders attending the AGM, only such Joint Holder whose name appear first in the order of names will be entitled to vote.

8. 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 for inspection by the Members in electronic mode during the AGM. Members who wish to inspect, may send their request through an email at investorhelp@punjabchemicals.com up to the date of AGM.

9. In line with the MCA Circulars the Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. The Notice convening the 46th AGM has been uploaded on the website of the Company at www.punjabchemicals.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of CDSL at www.evotingindia.com.

10. **Book Closure and Dividend**

i) The Register of Members and the Share Transfer Books of the Company will be closed **from Wednesday, the 3rd August, 2022 till Wednesday, the 10th August, 2022 (Both days inclusive)**. The dividend of ₹3/- (Rupees three only) per equity share of ₹10 each (i.e. 30%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS'), wherever applicable within the time limit prescribed under Companies Act, 2013 and SEBI Listing Regulations as under:

a. To all the Beneficial Owners as at the end of the day on Tuesday, the 2nd August, 2022 as per the list of beneficial owners to be furnished by the National Securities Depository Limited ("NSDL")and Central Depository Services (India) Limited ("CDSL") in respect of the shares held in electronic form; and

b. To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company/ Registrar and Share Transfer Agent on or before the close of business hours on Tuesday, the 2nd August, 2022.

ii) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through e-mail by Monday, the 25th July, 2022.

A communication providing information and detailed instructions with respect to tax on the dividend for the financial year ended 31st March, 2022 is being sent separately to the Members whose email addresses are registered with the Company/DPs.

iii) Further, in order to receive the dividend in a timely manner, Members holding shares in physical form and not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to mail the following documents to Company's Registrars and Transfer Agents: Alankit Assignments Limited, so that it reaches to them latest by Friday, the 29th July, 2022:

a. signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

- Name and Branch of Bank and Bank Account type;
- Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;
- 11 digit IFSC Code.

b. self-attested copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

c. self-attested copy of the PAN Card; and

d. self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective Depository Participants (DPs).

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

iv) Dividend warrants / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details.

v) Members are requested to note that, dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The Members/ Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details of unclaimed dividend and for shares transferred to IEPF, please refer to Company's website viz. www.punjabchemicals.com. The Company has transferred 1,09,179 Ordinary Shares of the face value of ₹10 per share to the demat account of the IEPF Authority during the financial year 2017-18. The details of such shares transferred to IEPF has been uploaded on the website of the Company at www.punjabchemicals.com. No claim shall lie against the Company in respect of the dividend/ shares so transferred. During the financial year 2021-2022, no equity shares or dividend amount was required to be transferred to IEPF.

Members who have not yet encashed their dividend warrant(s) for the financial year 2018-19, 2019-20 & 2020-21 are requested to claim the same without any delay.

11. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

Further, Members may please note that SEBI vide its Circular dated 25th January, 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company at www.punjabchemicals.com.