



STRENGTHENING CAPABILITIES

FOR SUSTAINABLE GROWTH



SHREE HARI CHEMICALS EXPORT LIMITED

Manufacturer of Dyes and Dyes Intermediates

ACROSS THE PAGES



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INVESTOR INFORMATION

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



Please find our online version at:

<http://www.shreeharichemicals.in/annualreports.aspx>

Simply scan the QR code below to view our Report



STRENGTHENING CAPABILITIES FOR SUSTAINABLE GROWTH



At Shree Hari Chemicals Export Limited ('Shree Hari' or 'SHCEL' or 'the Company'), we believe in constant improvement and upgradation in strengthening our capacities and capabilities to give value-added products and add customised touch in a wide range of applications.

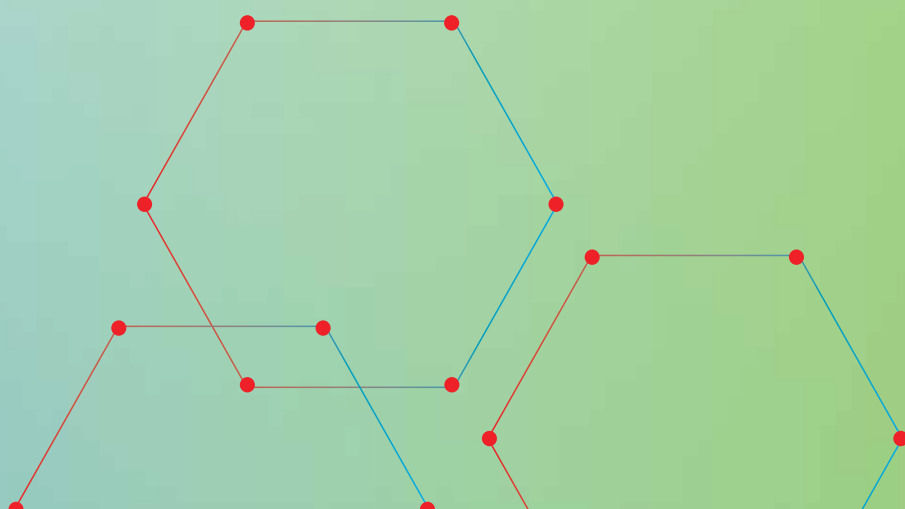
We are consistently expanding the scope of solutions we offer and adapting best practices in doing so.

We endeavour to excel our offerings through continuous R&D and technological advancement.

We strive to bring operational efficiency in our formulations and explore opportunities and applications of our products across industries in our zest to provide the best quality products and maintain customer loyalty.

We devise, deduce, develop and with dedication and determination derive best offerings in dyes intermediate for our customers while always standing strong on maintaining safe and clean ecological biodiversity.

We are strengthening our capabilities for a Sustainable Growth!





AMONG THE ELITES IN DYES INTERMEDIATE

SHREE HARI CHEMICALS EXPORT LIMITED IS ONE OF THE LEADING MANUFACTURERS AND EXPORTERS OF BEST QUALITY DYES INTERMEDIATE (H-ACID) IN INDIA.

WHAT WE DO

Our efforts are cumulatively directed into indigenously manufacturing and exporting and domestically supplying dyes intermediate. Backed by accomplished technological innovation and research we have emerged as a leading manufacturer of finest and best quality dyes intermediate imparting value added and enhanced use to end products. Our products are developed with keen eyesight for maximum customer satisfaction and environment protection. Our products are intermittently used in dyeing process and applied to fibres such as cotton, silk, wool, nylon and acrylic fibres.

HOW WE DO

After thorough technological research and development, implicit use of knowledge, expertise and experience of qualified professionals, and operational excellence we derive entire formulation process of H-acid which is then manufactured at our ingeniously designed state-of-the-art manufacturing facility at Mahad, Raigad. SHCEL supplies high-grade and value-added dyes intermediate strictly adhering to international best practices. By continuously strengthening our capabilities and support of dedicated and passionate team we are focused on developing excellence in our products and offerings with a strategic customer-centric research and development.

5

WOMEN EMPLOYEES

6

**COUNTRIES
PRODUCTS EXPORTED**

78

**EMPLOYEES AS ON
MARCH 2020-21**

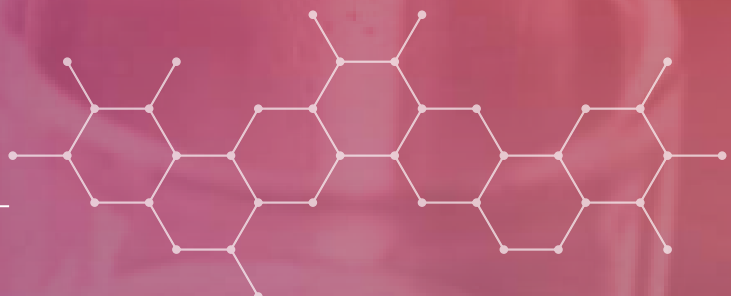
B2B

BUSINESS MODEL

**LEADING
MANUFACTURERS
OF H-ACID IN INDIA**

**WIDE GEOGRAPHICAL
REACH
IN INDIA DIRECTLY AND
THROUGH AGENTS**

**270 TONNES
PRODUCTION CAPACITY AT OUR
STATE-OF-THE-ART MANUFACTURING
FACILITY AT MAHAD, RAIGAD**





VISION

To become one of the largest manufacturers of Dye Intermediate in the World



MISSION

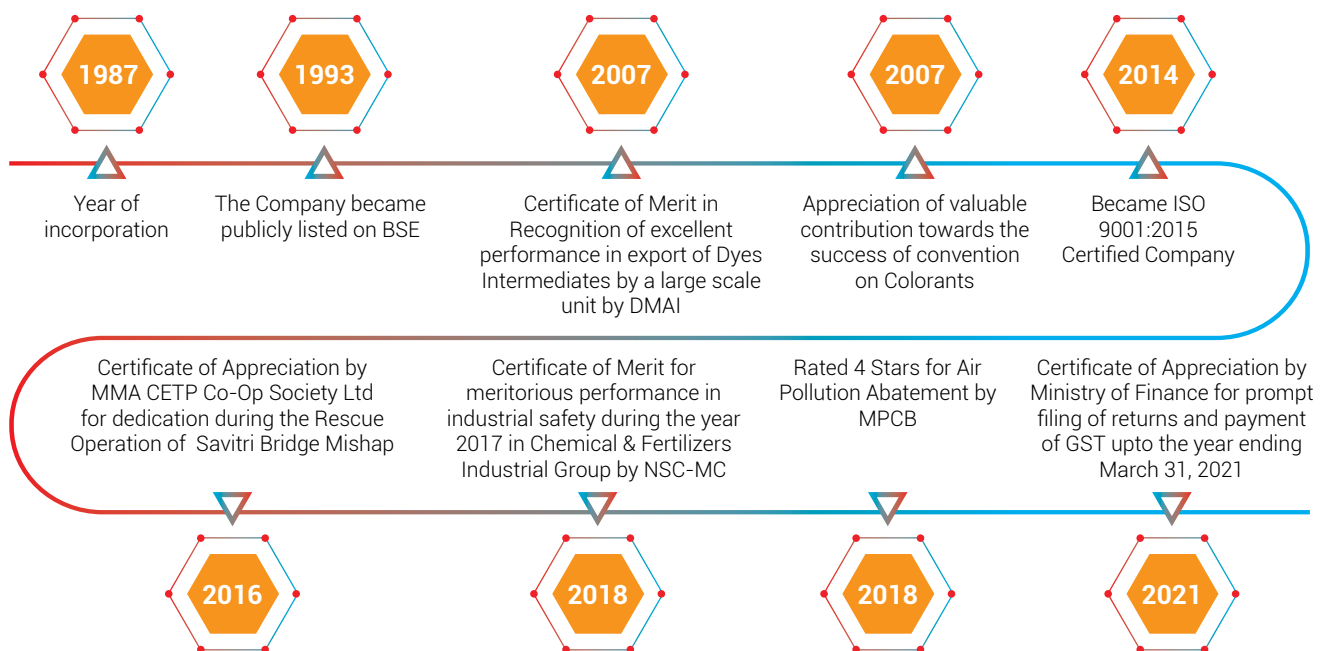
- To ensure sustainable growth
- To enhance shareholders value
- To provide quality and customised products
- To continue to invest in R&D and technology
- To contribute positively to the environment



VALUE

- S**-Self Integrity
- H**-Hard work
- C**-Customer Satisfaction
- E**- Encourage Employees
- L**- Leadership

HOW WE STARTED



- **OUR EXPERIENCE OF OVER THREE DECADES**
- **CONTINUOUS IMPROVEMENT IN PRODUCTION CAPACITIES**
- **IMPECCABLE R&D AND TECHNOLOGICAL ADVANCEMENT**
- **VALUE ADDED PRODUCTS WITH CUSTOMER FOCUS AND QUALITY**

has invariably led the Company in achieving growth and efficacies of economies of scale, earned unmatched customer loyalty and induced sustainability across the organisation. This has added to the repute of the organisation.



CHAIRMAN'S MESSAGE



Our in-house technological advancement and process development capabilities will allow us to build a diversified product portfolio in dyes intermediate.



Dear Shareholders,

Before beginning our message, we would like to sincerely thank all our stakeholders for their continued support through the last 30 years. We hope you and your dear ones are safe and wish you all good health going ahead.

It gives me a sense of sheer fulfilment and satisfaction to share that our Company continued playing on its strengths and posted a decent performance despite a challenging environment. We continued our journey as leading dyes intermediate manufacturers and kept focusing on strengthening our business capabilities and growing sustainably.

PERFORMANCE SNAPSHOT

Our financial performance reflected the challenging market conditions. The revenue for the year was ₹ 5,616 Lakhs as compared to ₹ 5,710 Lakhs in FY 2019-20, EBITDA ₹ 285 Lakhs against ₹ 24 Lakhs in FY 2019-20 and PAT ₹ 84 Lakhs compared to a loss of ₹ 160 Lakhs in previous Financial Year.

TECHNOLOGY AND INNOVATIONS

The excellence of our products and solutions in terms of quality and uses is an outcome of our constant R&D and innovation. It is a result of our determination and conviction that has allowed us to adapt quickly to the market needs. Besides, our in-house technology advancement and process development capabilities have allowed us to build a diversified product portfolio in dyes intermediate. Over the years, these products have been finding in various applications. Besides,

we have also consistently delivered need-based solutions to constantly cater to the varied client needs.

MAKE IN INDIA: EYEING SUSTAINABLE GROWTH

The past year instrumented a change in business operations to be in sync with the unprecedented changes in attitude of people and society. We, at SHCEL, constantly strive to improve it with our sincere efforts. As we look ahead, we continue to see immense potential across our business sector. Healthy demand and a stabilised raw material environment should further enable us to gain traction and build momentum. The pandemic additionally led to China plus one strategy. Companies across the world are facing shortages, which is leading them to find an alternative. With the right prospects, cost advantage and suitable manufacturing conditions, India is becoming the most preferable and, above all, most desired location for outsourcing chemicals used for various applications across industries. Being a leading player in the organised space, we stand to immensely gain from the underlying opportunity. The overhaul in the consequent supply chain will give us immense opportunity to expand our export operations in times to come.

The world's exposure to Covid-19 has sparked a sense of adoption of sustainable means in business processes as health and well-being has taken a new priority in our lives. We ensured that all the health and safety protocols were followed at the plant level to keep our staff safe. On the business front, our business strategies, expansion plans, capacities and capabilities, sustainable mindset and strong innovation capability made us responsive to the need of the hour.

OPTIMISATION AND SUSTAINABLE EXPANSION

In one of the key developments during the last quarter of FY 2020-21, we have initiated initial phase of installing 2 Mw solar power plant for our state-of-the-art Greenfield manufacturing facility at Mahad. At SHCEL, conserving energy and prudent utilisation of resources is of strategic importance. With solar plant installation the Company intends to bring down non-renewable energy consumption and at the same time bring down electricity cost in production.

We witnessed normalisation in demand and consumption sentiments towards the end of Q4 2020-21. The Company

saw increase in sales from Rs. 216 Lakhs in Q1 to Rs. 3,136 Lakhs in Q4 of FY 2020-21. We have witnessed a substantial ramp-up in utilisation levels from this facility in recent months, leading to healthy volumes. In addition, we are trying to enter newer categories, as we broaden our product portfolio to achieve economies of scale and market consolidation.

However, the second wave of COVID-19 has posed challenges yet again. But we believe, broader vaccination coverage and limited lockdowns will help restore normalcy sooner. We are confident of leading towards stronger and sustainable growth in the times to come.

CUSTOMER-FOCUS, RESILIENCE AND AGILITY

Customer-centricity is what differentiates us. Despite the pandemic, our people worked relentlessly to serve our customers. Our products are formulated as per customer needs and we focus on customising and providing value added products to our customers. Our manufacturing units worked round the clock to meet the growing demands of the market. Commitment, competence and dedication of human capital play an essential role in scaling sustainable growth. When faced with challenges last year, our team's customer focus, resilience and agility helped us navigate the problems and emerge stronger. We thank our entire workforce for their tremendous support and standing firm in our common goal of strengthening our capabilities to grow sustainably.

Going ahead, we will continue directing our efforts towards tapping new customers and strengthening relationships with existing ones. We strive to expand our reach by strengthening our capabilities with focus on sustainable growth.

NOTE OF THANKS

We believe healthy corporate governance practices form an essential and critical pillar for long term value creation. We reaffirm our commitment to sustainable growth and enhanced shared value for all. As we conclude, I would like to thank the Board for their guidance, our employees and their efforts, and all other stakeholders for their consistent assistance and encouragement in all our endeavours. We look forward to your continued faith as we scale heights of growth backed by confidence, commitment and conviction.

Warm Regards,
Bankesh Chandra Agrawal
Chairman and Managing Director



STRONG AND SUSTAINABLE

OUR STRENGTH COMES FROM



INDUSTRY LEADING
PRODUCTION CAPACITIES.



COMMITMENT TO
SUSTAINABILITY

PRODUCTION CAPACITY BUILT-UP

30 Tonnes

Production
Capacity at the
time of inception
in 1989



270 Tonnes

Current
Production
Capacity

100%

ZERO DISCHARGE OF
HARMFUL CHEMICALS (ZDHC)

SOLAR-GENERATED
ELECTRICITY
FOR MAHAD, RAIGAD PLANT

3

BY-PRODUCTS SOLD
TO CEMENT INDUSTRY



STRENGTHENING STRATEGIES

EARLY ENTRANTS IN DYES INTERMEDIATE:

We are one of the early organised players of dyes intermediate manufacturing with zero effluent discharge and eco-friendly processes that has made us globally acceptable and renowned and considerably enhanced our market share in the industry.

DIVERSIFIED CUSTOMER BASE AND LOYALTY:

Our product offerings ensures excellence in use and functionality. Having been in the industry with over 3 decades of experience and expertise has earned reputation and undying customer loyalty. Our products are developed with utmost care to the environment and under best quality process.

RESEARCH AND DEVELOPMENT AND TECHNOLOGICAL ADVANCEMENT:

Our R&D laboratories are equipped with technologically advanced equipment and is continuously upgraded and strictly adhered to internationally best practices.

DIVERSIFIED PRODUCT APPLICATION:

Our consistent endeavour towards improvement and an unwavering focus on core competencies will enable us to develop an extensive range of intermediate and reactive dyes for a wide variety of applications.

STRICT ADHERENCE TO REGULATORY PROTOCOLS:

Our manufacturing processes undergo strict quality and regular checks. Being vigilant towards environment concerns we adopt strict regulatory protocols throughout our value chain. There is zero discharge of harmful effluents and the waste products is disposed without having harmful effect.



STRENGTHENING PRODUCT PORTFOLIO

Our drive to continuously improve our processes and practices with an urge to develop safe and sustainable products enable us to bring operational efficiency and develop and innovate products with wide applications across industry.

H-ACID

We are the leading and the largest Indian manufacturer, exporter, importer and supplier of 1-Amino-8-Naphtol-3, 6 Disulfonic Acid, H Acid for use as dyestuffs

ACID DYES

Acid dyes are applied to fibres such as silk, wool, nylon and modified acrylic fibres from neutral to acid dye baths. These are used both commercially and by the studio dyer to dye protein/animal fibres such as wool, silk, mohair, angora, alpaca and some nylons and synthetics.

DIRECT DYES

Direct dyes are usually applied with the addition of electrolyte at or near the boil in the machines capable of running at atmospheric pressure. But in HTHP dyeing machines it is carried out at temperatures above the boil in case of pure as well as blended yarns.

REACTIVE DYES

Reactive dyes are used for dyeing cellulose, protein and polyamide fibres. Textile materials dyed with reactive dyes have very good wash fastness with rating Reactive dye gives brighter shades and has moderate rubbing fastness.

