

# Corporate Governance Report

for the year ended March 31, 2024

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance refers to the set of principles, values and processes that guide the management and board of a company. It is essential for the long-term success of any business, as it ensures accountability, transparency and ethical decision-making. The foundation of a successful enterprise is built on excellent corporate governance practices and strong leadership is vital to this end.

The philosophy on Corporate Governance of Deepak Nitrite Limited ("the Company") envisages the attainment of a high-level transparency and accountability in the functioning of the Company and the efficient conduct of its business, including its interaction with employees, shareholders, depositors, creditors, consumers, financial institutions and other lenders. Accountability improves decision making and transparency helps to explain the rationale behind decisions which in turn helps in building confidence in the Company.

The Company firmly believes that for a company to succeed on a sustained basis to meet the various challenges posed on account of changing business environment and stakeholder's expectation, it must maintain global standards of corporate conduct and also believes that Corporate Governance is not simply a matter of creating checks and balances; it is about creating an outperforming organisation, which leads to increasing employee and customer satisfaction.

### Corporate Reporting

The Company's Corporate Governance practices are meticulously aligned with international standards and reflect global best practices, ensuring that it adheres to the highest levels of ethical conduct and accountability. As a committed corporate citizen, the Company not only encourage but also recognize employee participation in and volunteering for environmental and social initiatives. These activities are integral to the organisational sustainability and

are a testament to the proactive engagement in enhancing a responsible corporate culture.

Over the past five years, the Company has enriched its corporate reporting by including additional disclosures and relevant information, aiding stakeholders in making well-informed decisions. The Company's report adheres to the Integrated Reporting framework's guiding principles and presents both financial and non-financial data in a manner that is concise and comparable and aims to improve the transparency and aids better risk management while supporting more informed decision-making across its operations. Such strategic transparency optimises the internal processes and aims to enhance the trust and confidence of the Company's investors, customers and community partners.

During the Financial Year 2023-24, the 52<sup>nd</sup> Annual Integrated Report of the Company received extensive recognition, securing a total of seven prestigious awards at the League of American Communications Professionals (LACP) Vision Awards and Spotlight Awards. This illustrious recognition included the coveted Platinum Award for excellence in reporting within the industry. Additionally, the Company's report was ranked 25<sup>th</sup> among the top 100 Annual Reports globally. These accolades reflect the Company's commitment to excellence in transparency, accountability and corporate reporting, underscoring its leadership in adopting best practices in integrated reporting.

## 2. BOARD OF DIRECTORS

### (i) Composition and size of Board of Directors

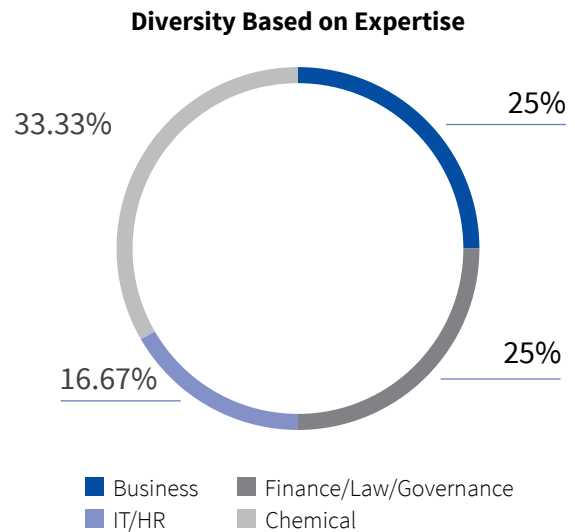
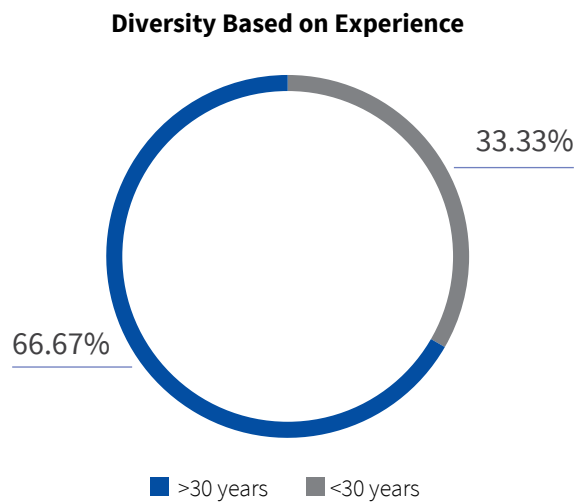
The Board composition is presently governed by the provisions of the Companies Act, 2013 ("Act") and applicable provisions of Listing Regulations as amended from time to time. The Board of the Company has an optimum combination of Executive and Non-Executive Directors.

As on March 31, 2024, the Board consists of twelve (12) Directors out of which, four (4) are Executive Directors including Managing Director and Chief Executive Officer and eight (8) are Non-Executive Directors. Out of eight (8) Non-Executive Directors, six (6) are Independent Directors including one (1) woman Independent Director. Details of appointments/re-appointments of Directors during the Financial Year 2023-24 are provided in the Board's Report.

The Chairman of the Company is the Executive Director and Promoter of the Company. The requirement of at least one-half of the Board shall consist of Independent Directors is complied with during the Financial Year ended March 31, 2024 as the Company has six (6) Independent Directors. All of the Independent Directors have extensive business experience and are considered by the Board to be independent in character and judgment of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

### DIVERSIFIED & EXPERIENCE BOARD

The Board of Directors is an apex body and an enlightened Board creates a culture of leadership providing long-term vision and improving the governance practices.



The Company's Board comprises highly experienced and competent individuals of notable integrity. They possess strong financial acumen, strategic astuteness, leadership qualities and are committed to the Company by devoting sufficient time in discussing business and other matters of the Company to meetings and preparation for meetings.

The Board is also responsible for:

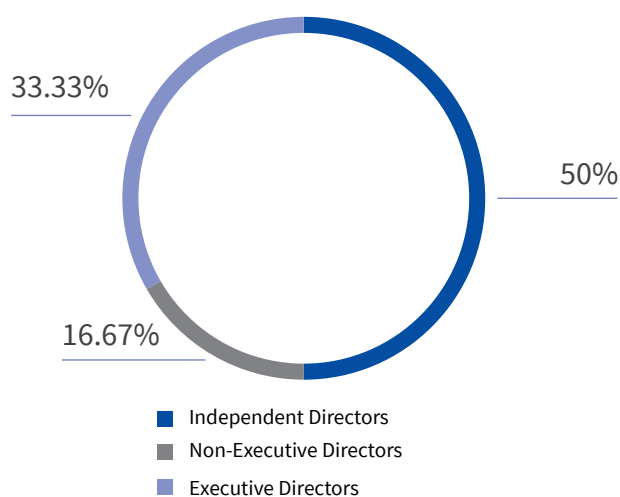
- a. long-term business plan & strategy and monitoring its implementation.

- b. enhancing shareholder value and overseeing the interests of all stakeholders through effective management.
- c. monitoring the effectiveness of the Company's Corporate Governance practices.
- d. exercising effective control on the functioning of the Company to ensure fulfilment of stakeholder expectation and long-term value creation.

The Directors take active part in the deliberations at the Board and Committee meetings and provide guidance and advice to the management on various aspects of business, governance, compliance, etc.

The Board reviews its composition, competency and diversity from time to time to ensure that it remains aligned with the statutory requirements under law as well as with the global practices.

<b>Composition of Board of Directors as on March 31, 2024</b>			
<b>Category</b>	<b>Name of Directors</b>	<b>No. of Directors</b>	<b>% of total number of Directors</b>
Promoter and Executive Directors	Shri Deepak C. Mehta Chairman & Managing Director Shri Maulik Mehta Executive Director & CEO	04	33.33%
Executive Directors	Shri Sanjay Upadhyay Director (Finance) & Group CFO Shri Girish Satarkar Executive Director		
Non-Executive & Non-Independent Directors	Shri Meghav Mehta Shri Ajay C. Mehta	02	16.67%
Independent Directors	Shri Sanjay Asher Smt. Purvi Sheth Shri Dileep Choksi Shri Punit Lalbhai Shri Vipul Shah Shri Prakash Samudra	06	50.00%
<b>Total No. of Directors</b>		<b>12</b>	<b>100%</b>



None of the Directors on the Board of the Company is a Director in more than seven (7) listed entities. None of the Non-Executive Directors is an Independent Director in more than seven (7) listed entities as required under the Listing Regulations. Further, the Managing Director and the Executive Director of the Company do not serve as an Independent Directors in any listed company. None of the Directors hold Directorships in more than ten (10) public limited companies and in aggregate twenty (20) Indian companies. None of the Directors on the Board is a member of more than ten (10) Committees and Chairman of five (5) Committees (committees being Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in India, in which he/she is a Director. Necessary disclosures regarding Committee positions have been made by all the Directors.

During the year ended March 31, 2024, following are the changes in the Board of the Company:

- Shri Sandesh Kumar Anand (DIN:00001792) ceased to be a Director of the Company from August 4, 2023, upon his retirement.
- Shri Girish Satarkar (DIN:00340116) appointed as Whole-time Director of the Company for a period of three (3) years with effect from August 4, 2023.
- Re-appointment of Shri Dileep Choksi (DIN:00016322) as an Independent Director of the Company for a second term of three (3) consecutive years with effect from August 7, 2023.
- Re-appointment of Shri Deepak C. Mehta (DIN:00028377) as the Chairman & Managing Director of the Company for further period of five (5) years with effect from December 14, 2023.

## (ii) Board Meetings

Further, none of our Independent Directors serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an Independent Director i.e. None of the Independent Directors have any inter-se relationship and each one of them is independent to each other.

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy including their implementation and also reviews risk, audit, control, compliance and other related matters apart from other Board businesses. Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors. The Board/Committee meetings are pre-scheduled and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors

well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board meeting.

During the Financial Year 2023-24, six (6) Board meetings were held on May 11, 2023, August 3 2023, October 4, 2023, November 7, 2023, January 8, 2024 and February 13, 2024. The gap between any two meetings was not more than 120 days, ensuring compliance with the requirement of

Regulation 17 of the Listing Regulations and the Act. The agenda papers and the explanatory notes were circulated to the Board well in advance. In order to support green initiative, the Company has availed a web-based application for transmitting agenda for the Board/ Committee meetings and the supporting documents. The necessary quorum was present for all the meetings.

Details of attendance of Directors at the Board meetings during the Financial Year 2023-24 and at the previous Annual General Meeting (52<sup>nd</sup> AGM) are as under:

S. No.	Name of the Director	Date of Board Meetings & Attendance						Attendance at 52 <sup>nd</sup> AGM
		May 11 2023	August 3, 2023	October 4, 2023	November 7, 2023	January 8, 2024	February 13, 2024	
1.	Shri Deepak C. Mehta	✓	✓	✓	✓	✓	✓	✓
2.	Shri Maulik Mehta	✓	✓	✓	✓	✓	✓	✓
3.	Shri Sanjay Upadhyay	✓	✓	✓	✓	✓	✓	✓
4.	Shri Girish Satarkar <sup>#</sup>	NA	NA	✓	✓	✓	✓	✓
5.	Shri Ajay C. Mehta	✓	✓	✓	✓	✓	✓	✓
6.	Shri Meghav Mehta	✓	✓	✓	✓	✓	✓	✓
7.	Shri Sandesh Kumar Anand <sup>@</sup>	✓	✓	NA	NA	NA	NA	✓
8.	Shri Sanjay Asher	✓	✓	✓	✓	✓	✓	✓
9.	Smt. Purvi Sheth	✓	✓	✓	✓	✓	✓	✓
10.	Shri Dileep Choksi	x	✓	✓	✓	✓	✓	✓
11.	Shri Punit Lalbhai	✓	✓	x	✓	✓	✓	✓
12.	Shri Vipul Shah	✓	✓	✓	✓	✓	✓	✓
13.	Shri Prakash Samudra	✓	✓	✓	✓	✓	✓	✓

✓ - Present, NA - Not applicable, x - Absent

<sup>#</sup> Shri Girish Satarkar appointed as the Whole-time Director designated as Executive Director of the Company with effect from August 4, 2023.

<sup>@</sup> Shri Sandesh Kumar Anand, Non-Executive Director ceased to be Director with effect from August 4, 2023, upon his retirement.

The necessary disclosure regarding Directorship and Committee positions have been made by the Directors who are on the Board of the Company as on March 31, 2024 and the same is provided herein below:

S. No.	Name of the Director	Director Identification Number (DIN)	No. of Shares held in the Company	No. of Directorships held (including listed entities) <sup>a</sup>	No. of Committee positions held as Chairman in other Public Companies <sup>b</sup>	No. of Committee positions held as Member in other Public Companies <sup>b</sup>
1.	Shri Deepak C. Mehta	00028377	2,25,35,241	5	0	1
2.	Shri Maulik Mehta	05227290	1,31,300	5	-	-
3.	Shri Sanjay Upadhyay	01776546	1,238	6	1	3
4.	Shri Girish Satarkar	00340116	12	1	-	-
5.	Shri Ajay C. Mehta	00028405	-	2	1	1
6.	Shri Meghav Mehta	05229853	47,290	5	-	-
7.	Shri Sanjay Asher	00008221	-	9	4	10
8.	Smt. Purvi Sheth	06449636	-	5	-	1
9.	Shri Dileep Choksi	00016322	-	8	3	8
10.	Shri Punit Lalbhai	05125502	-	6	1	1
11.	Shri Vipul Shah	00174680	-	2	-	1
12.	Shri Prakash Samudra	00062355	-	2	-	-

Note:

- Excludes directorships in Private Limited Companies, Section 8 Companies, Foreign Companies, Membership of Managing Committee of various chambers/bodies and alternate directorships and includes directorship in Deepak Nitrite Limited.
- In accordance with the provisions of the Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies (including Deepak Nitrite Limited) have been considered.

Name(s) of the listed entities where the Directors of the Company are directors and the category of directorship as required under the Listing Regulations as on March 31, 2024:

<b>Name of Director</b>	<b>Name of Listed Entity</b>	<b>Category of Directorship</b>
1. Shri Deepak C. Mehta	Deepak Nitrite Limited	Chairman & Managing Director
2. Shri Maulik Mehta	Deepak Nitrite Limited	Executive Director & CEO
3. Shri Sanjay Upadhyay	Deepak Nitrite Limited	Director (Finance) & Group CFO
4. Shri Girish Satarkar	Deepak Nitrite Limited	Executive Director
5. Shri Ajay C. Mehta	Deepak Nitrite Limited	Non-Executive Director
6. Shri Meghav Mehta	Deepak Nitrite Limited	Non-Executive Director
7. Shri Sanjay Asher	Deepak Nitrite Limited	Independent Director
	Sun Pharmaceuticals Industries Limited	Independent Director
	Epigral Limited	Independent Director
	Sudarshan Chemical Industries Limited	Independent Director
	Hawkins Cookers Limited	Independent Director
	Sonata Software Limited	Independent Director
	Ashok Leyland Limited	Independent Director
8. Smt. Purvi Sheth	Deepak Nitrite Limited	Independent Director
	Ambuja Cements Limited	Independent Director
	Kirloskar Oil Engines Limited	Independent Director
	Kirloskar Industries Limited	Independent Director
9. Shri Dileep Choksi	Deepak Nitrite Limited	Independent Director
	Arvind Limited	Independent Director
	AIA Engineering Limited	Independent Director
	Swaraj Engines Limited	Independent Director
	ICICI Prudential Life Insurance Company Limited	Independent Director
10. Shri Punit Lalbhai	Deepak Nitrite Limited	Independent Director
	Arvind Limited	Executive Director
	The Anup Engineering Limited	Non-Executive Director
	Arvind Fashions Limited	Non-Executive Director
11. Shri Vipul Shah	Deepak Nitrite Limited	Independent Director
	The Supreme Industries Limited	Independent Director
12. Shri Prakash Samudra	Deepak Nitrite Limited	Independent Director

As per the requirement of Regulation 24(1) of the Listing Regulations, Shri Sanjay Asher, Independent Director, is also on the Board of unlisted material subsidiary, Deepak Phenolics Limited. Shri Prakash Samudra, Independent Director, is also on the Board of unlisted material subsidiary, Deepak Chem Tech Limited.

### (iii) Board Procedure

For seamless scheduling of meetings, the calendar of meetings of the Board and its Committees is agreed upon and circulated upon at the beginning of the year.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director & CEO appraises the Board on the overall performance of the Company every quarter including the performance of subsidiary companies.

The Board has complete access to all information of the Company. The following minimum information as required under Part A of Schedule II to the Listing Regulations is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting, for their consideration.

- Annual operating plans and budgets and any update thereof
- Capital budgets and any updates thereof
- Quarterly results of the Company and operating divisions and business segments
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary
- Materially important show cause, demand, prosecution notices and penalty notices
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company

- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Significant development in Human Resources/ Industrial Relations
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any. The Board also reviews performance of its unlisted subsidiary companies at regular intervals and pursuant to requirement of the Listing Regulations, the minutes of the Board meetings of the Company's unlisted subsidiary companies are also placed before the Board. The management of the unlisted subsidiary companies periodically bring to the notice of the Board of the Company significant transactions and arrangements entered into by the unlisted subsidiary companies.

The Company Secretary tracks and monitors the Board and its Committees proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and its Committees at par with the changing statutes. Meeting effectiveness is ensured through circulation of detailed agenda alongwith other materials / presentation in advance as per statutory timelines and tracking of action taken reports at every meeting. Additionally, based on the agenda items, meetings are attended by members of the senior leadership as invitees which bring in the requisite accountability and also provide developmental inputs.

With an objective to ensure maximum presence of Independent Directors in the Board Meeting, dates of the Board meetings are fixed in advance after consultation with individual Directors and considering their convenience. The agenda is circulated well in advance to the Board members, along with comprehensive back-ground information on the

items in the agenda to enable the Board members to take informed decisions. Wherever it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. The agenda and related information are circulated in electronic form and also through a highly secured web-based application, which is available to the Board members through tablet/laptop. This has reduced paper consumption, thus enhancing the sustainability efforts of the Company and increasing confidentiality.

In case of special and urgent business needs, the Board's/ Committee's approval is taken by passing resolutions through circulation, as permitted by law, which is noted and confirmed at the subsequent Board/Committee Meeting.

The Board also reviews the declarations made by the Chairman & Managing Director, Executive Director & CEO, Director (Finance) & Group CFO, Chief Financial Officer and Company Secretary of the Company regarding compliance with all applicable laws, on a quarterly basis.

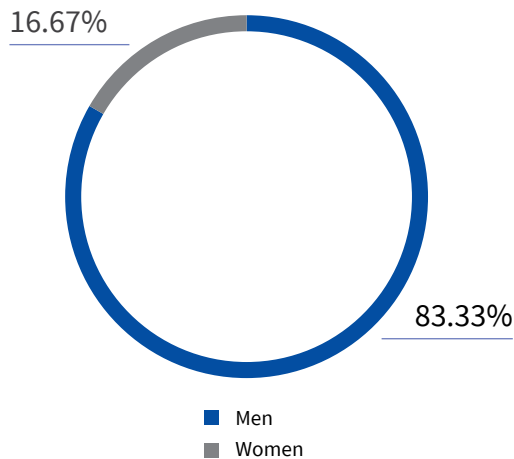
#### **(iv) Disclosure of relationships between Directors inter-se**

Shri Deepak C. Mehta, Chairman & Managing Director and Shri Ajay C. Mehta, Non-Executive Director of the Company are brothers. Shri Maulik Mehta and Shri Meghav Mehta are son of Shri Deepak C. Mehta, Chairman & Managing Director and nephew of Shri Ajay C. Mehta, Non-Executive Director of the Company. Shri Maulik Mehta Executive Director & CEO and Shri Meghav Mehta, Non-Executive Director are brothers.

#### **(v) Independent Directors**

Independent Directors play a pivotal role by overseeing the Company's internal controls, financial reporting and risk management. They provide valuable insights and recommendations that help the Company achieve its goals for ensuring effective Corporate Governance for the success and sustainability of the organisation. Their increased presence in the boardroom has been hailed as a harbinger for striking a right balance between individual, economic and social interests.

The selection of eminent people for appointment as Independent Directors on the Board is considered by the Nomination and Remuneration Committee. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such person and recommend the same to the Board. The Board considers the Committee's recommendation and takes an appropriate decision.



Independent Directors of the Company are Non-Executive Directors as defined under Regulation 16(1)(b) of Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and that they are independent of the management.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs and requisite confirmations have been received from all the Independent Directors of the Company with respect to registration on the Independent Directors' data bank.

The Independent Directors, immediately upon appointment are issued a formal letters of appointment and the terms and conditions of their appointment are disclosed on the Company's website at [www.godeepak.com](http://www.godeepak.com).

#### (vi) Separate Meeting of Independent Directors

As per Schedule IV of the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was convened on March 12, 2024 without the presence of Non-Independent Directors and management representatives. The said meeting was chaired by Smt. Purvi Sheth, Independent Director and Chairperson of

the Nomination and Remuneration Committee and Member of Corporate Social Responsibility Committee.

At such meeting, the Independent Directors, inter alia, discussed and evaluated performance of Non-Independent Directors and the Board of Directors as a whole. Independent Directors also evaluated the performance of the Chairman of the Company, taking into account, views of Executive and Non-executive Directors and accessed the quality, quantity and timelines of flow of information between the management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

The Chairman of the Board is updated by the Chairperson of the meeting of Independent Directors about the outcome of the meeting and actions, if any, required to be taken by the Company.

#### (vii) Familiarization program for Independent Directors

Pursuant to Regulations 25(7) of the Listing Regulations, the Company has a familiarization program for its Independent Directors to familiarize the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory requirement applicable to it.

At the time of appointment of a Director (including Independent Director), a formal letter of appointment is provided to him/her, which inter alia explains the role, function, duties and responsibilities expected by him/her as a Director of the Company.

The Chairman & Managing Director also has a one-to-one discussion with the newly appointed Director to familiarize him with the Company's operations.

Further, on an ongoing basis as a part of agenda of Board and Committee meetings, presentation are regularly made on various matters inter alia covering the Company's business and operations, industry and regulatory updates etc.

The web-link giving details of familiarization program imparted to Independent Directors is [https://www.godeepak.com/wp-content/uploads/2024/03/DNL\\_Familiarization-Programmes-2023-24-Final.pdf](https://www.godeepak.com/wp-content/uploads/2024/03/DNL_Familiarization-Programmes-2023-24-Final.pdf).

#### (viii) Skills / Expertise / Competencies of the Board of Directors

The Board, with the help of Nomination and Remuneration Committee evaluates composition of the Board of Directors to ensure that the Board has the appropriate mix of skills, expertise, experience, professional competencies, independence and knowledge to ensure their continued effectiveness.

To operate effectively, the Board has identified key skills, expertise and competencies that are relevant to the Company's business and operations. The following skills, expertise and competencies have been recognized by the Board as fundamental to the Company's efficient operation.

Sr No / Expertise / Competencies	Shri Deepak C. Mehta	Shri Maulik Mehta	Shri Sanjay Upadhyay	Shri Girish Satarakar	Shri Ajay C. Mehta	Shri Meghav Asher	Shri Sanjay Asher	Shri Dileep Choksi	Smt. Purvi Sheth	Shri Punit Lalbhai	Shri Vipul Shah	Shri Prakash Samudra
Qualification	Bachelor of Science from University of Bombay	Bachelor of Business Administration from University of Liverpool, UK. Master in Industrial and Organisational Psychology from Columbia University, USA. Owner & President Management Program from Harvard Business School.	Associate Member of the Institute of Cost Accountants of India and Fellow Member of the Institute of Company Secretaries of India. Advanced Management Programme from Wharton, USA.	B.Sc (Tech) and M.SC Tech) in Textile Chemistry from The Institute of Chemical Technology, ICT (formerly UDC) University of Mumbai of Mumbai Masters of Marketing Management (MMM) from Welingkar Institute of Management, University of Mumbai.	Science Graduate with Honours from University of Mumbai and Master of Science (Chemical Engineering) from the University of Texas, USA	Mechanical Engineer from the Rochester Institute of Technology (New York, USA) with a specialization in Material Science Technology and Alternative Energy	Bachelor's Degree in Commerce and in Law from the University of Bombay, qualified Chartered Accountant and a Solicitor	Bachelor's Degree in Arts, Economics & Political Science from St. Xavier's College, Mumbai University and obtained a CPD Business Strategy & Leadership Management from Wharton Business School, USA	Bachelor of Law Fellow, Member of The Institute of Chartered Accountants of India, Member of The Institute of Cost Accountants and obtained a CPD Business Strategy & Leadership Management from Wharton Business School, USA	Bachelors' degree from University of California, Davis in conservation biology; a masters in Environmental Science from Yale University, USA and an MBA from INSEAD, France.	Bachelor of Science degree in chemical engineering and a Master of Science degree in polymer science from the University of Texas, Austin, United States.	Bachelor chemical engineering at the Indian Institute of Technology (IIT), Bombay
<b>1. Industry Knowledge:</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Knowledge on Company's Businesses (Chemical Intermediates)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Policies and Culture(Including the Mission, Vision and Values of the Company)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Major risks / threats and potential opportunities and knowledge of the industry in which the Company operates	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



Sr No / Expertise / Competencies	Shri Deepak C. Mehta	Shri Maulik Mehta	Shri Sanjay Upadhyay	Shri Girish Satarkar	Shri Ajay C. Mehta	Shri Meghav Mehta	Shri Sanjay Asher	Shri Dileep Choksi	Smt. Purvi Sheth	Shri Punit Lalbhai	Shri Vipul Shah	Shri Prakash Samudra
<b>2. Behavioural Competencies/ Personal Attributes:</b>												
Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company;	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>3. Strategic Expertise:</b>												
Business Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sales & Marketing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Forex Management	✓	✓	✓	-	✓	✓	✓	✓	-	✓	✓	-
Administration	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Decision Making	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>4. Technical Skills:</b>												
Financial and Management skills;	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Legal expertise	✓	-	✓	✓	✓	✓	✓	✓	-	✓	✓	-
Technical / Professional skills and specialized	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
<b>5. Other Skills:</b>												
Decision making skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Communication skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stakeholder Relations	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Risk Management Skills	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓

It is evident from the above mentioned details that the Board of the Company is highly structured to ensure a high degree of diversity by age, education/ qualifications, professional background, sector expertise, special skills etc.

### **(ix) Performance Evaluation**

In terms of requirement of the Act and the Listing Regulations and upon recommendation of the Nomination and Remuneration Committee, the Board has adopted a Performance Evaluation Policy specifying the criteria for effective evaluation of Board, its Committees and individual Directors. The performance evaluation criteria for Independent Directors is also provided in the Performance Evaluation Policy as adopted by the Board and the same has been disclosed in the Directors' Report.

The process of performance evaluation is in line with the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, its Committees and individual Directors, based on the criteria as provided in the Performance Evaluation Policy.

The performance of the Independent Directors was evaluated by the entire Board without the presence of Independent Director being evaluated at their meeting held on May 20, 2024. Based on such evaluation, the Board is of the view that all Independent Directors are having thorough knowledge, expertise and experience in their respective areas. They also have very good understanding of the Company's business and the general economic environment it operates. They devote quality time and full attention to understand key issues relating to business of the Company and advising on the same. Their valuable contribution has certainly improved the governance standards within the Company.

The performance of the Committees was also evaluated by the Board after seeking inputs from the Committee members. Based on such evaluation, the Board is of the view

that various Committee of Directors are well constituted by way of having optimum number of Independent Directors with precise Terms of Reference/Charter. The respective Committees actively discussed various matters and effective suggestions were made concerning business, operations and governance of the Company.

### **3. COMMITTEES OF BOARD OF DIRECTORS**

As required under the applicable laws, the Board delegated certain functions to its various Committees that are established for that purpose. These Committees conduct detailed reviews of the items under their purview before presenting them to the Board for consideration. The Committees appointed by the Board are dedicated to specific matters and have the delegated authority to make informed decisions within their respective scopes. The Committees operate under the direct supervision of the Board. Generally, Committee meetings are held before the Board meeting and the Chairperson of each Committee reports to the Board about the deliberations and decisions taken by the Committees.

They also provide specific recommendations to the Board on matters within their purview. All decisions and recommendations made by the Committees are presented to the Board for either approval or information. During the Financial Year ended March 31, 2024, all recommendations made by the Committees were accepted by the Board.

As on March 31, 2024, the Company is having Seven (7) Committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship & Investors Grievance Committee, Corporate Social Responsibility Committee, Risk Management Committee, Project Committee, Sustainability Committee of Directors of the Company. Besides the above, there are several other Committees constituted by the Board for specific / day-to-day matters.

## Composition of Committees as on March 31, 2024

All the Committees have optimum composition pursuant to requirements of the Act and Listing Regulations. Below is the Composition of the Committees as on March 31, 2024:

Name of Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship & Investors Grievance Committee	Corporate Social Responsibility Committee	Risk Management Committee	Project Committee	Sustainability Committee
Shri Deepak C. Mehta	-	M	-	C	C	-	-
Shri Maulik Mehta	-	-	-	-	M	-	M
Shri Sanjay Upadhyay	-	-	M	M	M	-	-
Shri Girish Satarkar	-	-	-	-	-	-	M
Shri Ajay C. Mehta	-	-	C	-	-	M	-
Shri Meghav Mehta	-	-	-	-	-	-	-
Shri Sanjay Asher	M	M	M	-	-	-	-
Smt. Purvi Sheth	-	C	-	M	-	-	-
Shri Dileep Choksi	C	-	-	-	-	-	-
Shri Punit Lalbhai	-	-	-	M	-	M	C
Shri Vipul Shah	M	-	-	-	M	M	M
Shri Prakash Samudra	-	-	-	-	M	C	-

C - Chairperson, M - Member

### (A) Audit Committee

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors and the internal auditors. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II to the Listing Regulations are covered in the terms of reference of the Audit Committee.

As of March 31, 2024, the Committee consisted of three (3) members, all of whom are Independent Directors. The members of the Audit Committee have relevant experience in financial matters as well as have accounting or related financial management expertise and are considered financially literate as defined in Regulation 18(1)(c) of the Listing Regulations.

#### (i) Composition of Audit Committee

The Audit Committee comprises of the following members as on March 31, 2024:

Name of Member	Designation	Category
Shri Dileep Choksi	Chairman	Independent Director
Shri Sanjay Asher	Member	Independent Director
Shri Vipul Shah*	Member	Independent Director

\* Shri Vipul Shah was inducted as a Member of the Audit Committee with effect from August 4, 2023, in place of Shri Sandesh Kumar Anand who ceased to be a Member of the Audit Committee, upon his retirement.

The Committee's composition meets with requirements of Section 177 of the Act and Listing Regulations. All members of the Audit Committee are financially literate and Shri Dileep Choksi and Shri Sanjay Asher possess financial and accounting expertise.

The Statutory Auditors, Internal Auditors and other relevant Senior Management people are invited to attend the meetings of Audit Committee.

Shri Dileep Choksi, Chairman of the Audit Committee, was present at the previous Annual General Meeting of the Company held on August 4, 2023.

The Company Secretary acts as a Secretary to the Audit Committee.

#### (ii) Brief Description of terms of reference of the Audit Committee

In accordance with the provisions of the Act and the Listing Regulations, the role of the Audit Committee of Directors include the following:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- 3) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

- 4) Reviewing, with the management, the Annual Financial Statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Sub-section (3) of Section 134 of the Act;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the Financial Statements arising out of Audit findings;
    - Compliance with Listing and other Legal requirements relating to Financial Statements;
    - Disclosure of any Related Party Transactions; and
    - Modified opinion(s) in the draft Audit Report.
  - 5) Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
  - 6) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
  - 7) Reviewing and monitoring the Auditor's independence and performance and effectiveness of Audit process;
  - 8) Approval or any subsequent modification of transactions of the Company with Related Parties;
  - 9) Scrutiny of inter-corporate loans and investments;
  - 10) Review of Valuation of undertakings or assets of the Company, wherever it is necessary;
  - 11) Evaluation of Internal Financial Controls and Risk Management Systems;
  - 12) Reviewing, with the Management, performance of statutory and Internal Auditors, adequacy of the Internal Control Systems;
  - 13) Reviewing the adequacy of Internal Audit Function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
  - 14) Discussion with Internal Auditors of any significant findings and follow up there on;
  - 15) Reviewing the findings of any Internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control systems of a material nature and reporting the matter to the Board;
  - 16) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - 17) To look into the reasons for substantial defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared Dividends) and Creditors;
  - 18) To review the functioning of the Whistle Blower Mechanism;
  - 19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  - 20) Review of Management Discussion and Analysis of financial condition and result of operations and Statement of Significant Related Party Transactions
  - 21) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
  - 22) Reviewing the utilization of loans and/or advances from / investment by the Company in its subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments;
  - 23) To review quarterly reports on matters relating to Prohibition of Insider Trading Regulations, 2015; and
  - 24) Such other terms as may be prescribed under the Act or the Listing Regulations.
- (iii) Meetings and Attendance thereat**
- Five (5) meetings of the Audit Committee were held during the Financial Year 2023-24 on May 11, 2023, August 3, 2023, November 7, 2023, January 8, 2024 and February 13, 2024. The gap between any two meetings was not more than 120 days, ensuring compliance with the requirement of Regulation 18 of the Listing Regulations and the Act. Requisite quorum was present for all the meetings.

The attendance of respective members at the Audit Committee meetings held during Financial Year 2023-24 are as under:

<b>Name of Member</b>	<b>No. of Audit Committee Meetings held during tenure of the Director</b>	<b>No. of Audit Committee Meetings attended</b>
Shri Dileep Choksi	5	5
Shri Sandesh Kumar Anand <sup>1</sup>	2	2
Shri Sanjay Asher	5	5
Shri Vipul Shah <sup>2</sup>	3	2

<sup>1</sup> Shri Sandesh Kumar Anand ceased to be a Member of the Audit Committee with effect from August 4, 2023.

<sup>2</sup> Shri Vipul Shah was inducted as a Member of the Audit Committee with effect from August 4, 2023.

## **(B) Nomination and Remuneration Committee**

In accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Board is duly constituted.

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and recommending appointment of Directors and Senior Management employees. Further, the Nomination and Remuneration Committee is also responsible for formulating policies with respect to remuneration, performance evaluation, Board diversity, etc. in line with requirements of the Act and the Listing Regulations.

The Nomination and Remuneration Committee also act as Compensation Committee as required under SEBI (Share based Employee Benefits and Sweat Equity), Regulations, 2021.

### **(i) Composition of Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of the following members as on March 31, 2024:

<b>Name of Member</b>	<b>Designation</b>	<b>Category</b>
Smt. Purvi Sheth	Chairperson	Independent Director
Shri Sanjay Asher	Member	Independent Director
Shri Deepak C. Mehta*	Member	Chairman & Managing Director

\* Shri Deepak C. Mehta was inducted as a Member of the Nomination and Remuneration Committee with effect from August 4, 2023, in place of Shri Sandesh Kumar Anand who ceased to be a Member of the Nomination and Remuneration Committee, upon his retirement.

The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee.

Smt. Purvi Sheth, Chairperson of the Nomination and Remuneration Committee, was present at the previous Annual General Meeting of the Company held on August 4, 2023.

### **(ii) Brief Description of terms of reference of Nomination and Remuneration Committee**

In accordance with the provisions of the Act and the Listing Regulations, the Terms of Reference for the Nomination and Remuneration Committee of Directors are as under:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel ('KMP') and functional heads i.e. employee one level below Chief Executive Officer/Managing Director/Wholetime Director;
- 2) Formulation of the criteria for effective evaluation of performance of Board, its Committee and individual Directors;
- 3) Devising a policy on diversity of Boards of Directors;
- 4) Identifying persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel or functional head i.e. employees one level below Chief Executive Officer/Managing Director/ Whole-time Director, in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- 5) Whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors;
- 6) To recommend to the Board, all remuneration, in whatever form, payable to Key Managerial Personnel and functional head i.e. employees one level below Chief Executive Officer/Managing Director/Whole-time Director; and
- 7) Such other terms as may be required under the Act or the Listing Regulations

The Nomination and Remuneration Committee recommends remuneration package of Managing Director / Executive Directors to the Board by reference to individual performance, experience and market conditions with a view to provide a remuneration package which is appropriate for the responsibilities

involved. In reviewing the overall remuneration of the Directors, Key Managerial Personnel and one level below Chief Executive Officer/Managing Director/Whole-time Director, the Nomination and Remuneration Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent. It also ensures that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and variable pay reflecting short term and long term objectives of the Company.

### (iii) Meetings and Attendance thereat

Four (4) meetings of the Nomination and Remuneration Committee were held during the Financial Year 2023-24 on April 29, 2023, August 3, 2023, November 6, 2023 and February 9, 2024. The necessary quorum was present for all the meetings of Nomination and Remuneration Committee.

The attendance at the Nomination and Remuneration Committee meetings held during Financial Year 2023-24 are as under:

Name of Member	No. of Nomination and Remuneration Committee Meetings held during tenure of the Director	No. of Nomination and Remuneration Committee Meetings attended
Shri Sandesh Kumar Anand <sup>1</sup>	2	2
Smt. Purvi Sheth	4	4
Shri Sanjay Asher	4	4
Shri Deepak C. Mehta <sup>2</sup>	2	2

<sup>1</sup> Shri Sandesh Kumar Anand ceased to be Member of the Nomination and Remuneration Committee with effect from August 4, 2023.

<sup>2</sup> Shri Deepak C. Mehta was inducted as a Member of the Nomination and Remuneration Committee with effect from August 4, 2023.

### (iv) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Policy duly approved by the Nomination and Remuneration Committee specifies the criteria for performance evaluation of Independent Directors which has been disclosed in the Directors' Report.

### (v) Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company has been posted on the website of the

Company at [www.godeepak.com](http://www.godeepak.com). The said Policy is directed towards rewarding performance, based on review of achievements periodically and is in consonance with the existing industry practice. The key factors considered in formulating the Policy are as under:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### (vi) Deepak Nitrite Limited Employee Stock Option Scheme 2024

The Board of Directors of the Company at their meeting held on February 13, 2024 approved Deepak Nitrite Limited Employee Stock Option Scheme 2024 ("Scheme 2024"), subject to approval of the shareholders of the Company.

The Scheme 2024 was approved by the Shareholders of the Company through Postal Ballot on April, 19, 2024 by way of Special Resolution. The Shareholders of the Company also, by way of Special Resolution, approved extending the Scheme 2024 to the eligible employees of the Subsidiaries of the Company.

As required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Nomination and Remuneration Committee has been designated as the Compensation Committee for the purpose of administration and superintendence of Scheme 2024.

### (vii) Diversity, Equity and Inclusion Policy

The Company recognizes the importance of diversity, equity and inclusion. The Company operates in a diverse society and understands that its customers as well as talent pool have diverse characteristics and different experiences, needs and aspirations. The Company is committed to providing equal and inclusive workplace free from any unfair treatment or unlawful discrimination.

Towards this, the Company has adopted Diversity, Equity and Inclusion Policy. The purpose of the Policy is to set out the Company's commitment to providing

workplace free from discrimination for employees. The Policy also sets out the Company's expectations, where each employee has a responsibility to adhere to and uphold the policy.

The Company strive to provide diverse and inclusive workforce where each individual feels valued and empowered. Individuals with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives. As a diverse organization, the Company seeks to encourage and harness these differences and make its products innovative, relevant and accessible.

### **(C) Stakeholders' Relationship & Investors Grievance Committee:**

In accordance with the provisions of Section 178(6) of the Act and Regulation 20(4) of the Listing Regulations, Stakeholders' Relationship & Investors Grievance Committee of the Board is duly constituted.

The Stakeholders' Relationship & Investors Grievance Committee cohesively supports the Company and its Board in maintaining strong and long-lasting relationship with its stakeholders at large. The Stakeholders' Relationship & Investors Grievance Committee majorly ensures and oversees the prompt resolution of the grievances of security holders; the implementation of ways to enhance shareholder experience; assessment of performance of Registrar and Transfer Agent; monitoring of shareholding movements etc.

#### **(i) Composition of Stakeholders' Relationship & Investors Grievance Committee**

The Stakeholders' Relationship & Investors Grievance Committee comprises of the following members as on March 31, 2024:

<b>Name of Member</b>	<b>Designation</b>	<b>Category</b>
Shri Ajay C. Mehta	Chairman	Non-Executive Director
Shri Sanjay Upadhyay	Member	Director (Finance) & Group CFO
Shri Sanjay Asher	Member	Independent Director

The Board of Directors at their meeting held on May 20, 2024, re-constituted Stakeholders' Relationship & Investors Grievance Committee by inducting Shri Punit Lalbhai in place of Shri Sanjay Asher w.e.f. May 21, 2024.

Shri Arvind Bajpai, Company Secretary of the Company, is the Compliance Officer. The Company Secretary acts as a Secretary to the Stakeholders' Relationship & Investors Grievance Committee.

Shri Ajay C. Mehta, Chairman of the Stakeholders' Relationship & Investors Grievance Committee was present at the previous Annual General Meeting of the Company held on August 4, 2023.

#### **(ii) Terms of Reference**

In accordance with the provisions of the Act 2013 and the Listing Regulations, the Terms of Reference for the Stakeholders' Relationship & Investors' Grievances Committee of Directors are as under:

- 1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- 4) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- 6) Such other terms as may be required under the Act or the Listing Regulations.

#### **(iii) Meetings and Attendance thereat**

Four (4) meetings of the Stakeholders' Relationship & Investors Grievance Committee were held during the Financial Year 2023-24 on May 11, 2023, August 7, 2023, November 6, 2023, February 9, 2024 and the necessary quorum was present at the meeting.

The attendance at the Stakeholders' Relationship & Investors Grievance Committee meeting held during Financial Year 2023-24 is as under:

<b>Name of Member</b>	<b>No. of Stakeholders' Relationship &amp; Investors Grievance Committee Meetings held during tenure of the Director</b>	<b>No. of Stakeholders' Relationship &amp; Investors Grievance Committee Meetings attended</b>
Shri Ajay C. Mehta	4	4
Shri Sanjay Upadhyay	4	4
Shri Sanjay Asher	4	4

#### **(iv) Investors Grievance**

Continuous efforts are being made to ensure that Investor's grievances are expeditiously redressed to the satisfaction of the Investors.

The Company and Link Intime India Private Limited (Registrar & Share Transfer Agent) attend to all the grievances of the Investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc.

Details of investor complaints received and redressed during Financial Year 2023-24 are as follows:

Number of pending complaints at the beginning of the Financial Year	00
Number of complaints received during the Financial Year	04
Number of complaints resolved during the Financial Year	04
Number of complaints pending at the end of the Financial Year	00
Number of complaints not solved to the satisfaction of shareholders	00

An update on the status of investor complaints received by the Company is reported to the Board and is also filed with the Stock Exchanges on quarterly basis.

#### (v) Investor's Grievance Redressal Policy

The Company believes that shareholders of the Company should be able to communicate their grievances and obtain redressal for violation of their rights. In order to facilitate this, the Company must have a transparent framework for handling shareholder grievances, which would help shareholders to register and escalate their grievances to the relevant authorities.

In continuation of the Company's endeavour to strengthen its Investor Relations and Corporate Governance practices, the Company has adopted an Investors' Grievance Redressal Policy.

The members may access the said Policy on the website of the Company at <https://www.godeepak.com/wp-content/uploads/2023/11/Investors-Grievance-redressal-policy-1.pdf>.

### (D) Corporate Social Responsibility Committee

In accordance with provisions of Section 135 of the Act, the Corporate Social Responsibility Committee of the Board is duly constituted.

#### (i) Composition of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of the following members as on March 31, 2024:

Name of Member	Designation	Category
Shri Deepak C. Mehta	Chairman	Chairman & Managing Director
Shri Sanjay Upadhyay	Member	Director (Finance) & Group CFO
Shri Punit Lalbhai	Member	Independent Director
Smt. Purvi Sheth	Member	Independent Director

The Company Secretary acts as a Secretary to the Corporate Social Responsibility Committee.

#### (ii) Terms of Reference

The Terms of Reference of the Corporate Social Responsibility Committee are as under:

- 1) To formulate and recommend to the Board a Corporate Social Responsibility Policy ("CSR Policy");
- 2) To recommend the amount of expenditure to be incurred by the Company on the activities listed in CSR Policy;
- 3) To monitor the CSR Policy of the Company from time to time; and
- 4) Such other roles and functions as may be prescribed in the Act and Rules made thereunder.

#### (iii) Meetings and Attendance thereat

Two (2) meetings of the Corporate Social Responsibility Committee were held during the Financial Year 2023-24 on April 24, 2023 and January 8, 2024. The necessary quorum was present for all the meetings of Corporate Social Responsibility Committee.

The attendance at the Corporate Social Responsibility Committee meetings held during Financial Year 2023-24 are as under:

Name of Member	No. of CSR Committee Meetings held during tenure of the Director	No. of CSR Committee Meetings attended
Shri Deepak C. Mehta	2	2
Shri Sanjay Upadhyay	2	2
Shri Punit Lalbhai	2	2
Smt. Purvi Sheth	2	2

Shri Deepak C. Mehta, Chairman of the Corporate Social Responsibility Committee, was present at the previous Annual General Meeting of the Company held on August 4, 2023.

#### (iv) Report on CSR activities

As required under the Act and Rules made thereunder, Report on the CSR activities undertaken by the Company during the year ended March 31, 2024 is annexed to the Directors' Report.



## (E) Project Committee

A Project Committee has been duly constituted by the Board which meets from time to time to review various projects / capital expenditures undertaken by the Company and recommend to the Board new projects.

### (i) Composition of Project Committee

The Project Committee comprises of the following members as on March 31, 2024:

Name of Member	Designation	Category
Shri Prakash Samudra <sup>1</sup>	Chairman	Independent Director
Shri Vipul Shah	Member	Independent Director
Shri Ajay Mehta <sup>2</sup>	Member	Non-Executive Director
Shri Punit Lalbhai <sup>3</sup>	Member	Independent Director

<sup>1</sup> Shri Prakash Samudra was designated as the Chairman of the Project Committee with effect from August 4, 2023 in place of Shri Sandesh Kumar Anand who ceased to be the Chairman of the Project Committee, upon his retirement.

<sup>2</sup> Shri Ajay C. Mehta inducted as a member of Project Committee w.e.f August 4, 2023.

<sup>3</sup> Shri Punit Lalbhai inducted as a member of Project Committee w.e.f August 4, 2023.

### (ii) Terms of Reference

The Project Committee is constituted inter alia to evaluate the proposed new projects / expansion plans of the Company and review the progress of ongoing projects of the Company involving capital expenditure exceeding ₹ 50 Crores.

### (iii) Meetings and Attendance thereat

One (1) meeting of the Project Committee was held during the Financial Year 2023-24 on August 2, 2023 and the necessary quorum was present at the meeting.

The attendance at the Project Committee meeting held during Financial Year 2023-24 is as under:

Name of Member	No. of Project Committee Meetings held during Tenure of the Director	No. of Project Committee Meetings attended
Shri Sandesh Kumar Anand <sup>1</sup>	1	1
Shri Sanjay Asher <sup>1</sup>	1	1
Shri Prakash Samudra	1	1
Shri Vipul Shah	1	1
Shri Ajay C. Mehta <sup>2</sup>	0	0
Shri Punit Lalbhai <sup>2</sup>	0	0

<sup>1</sup> Shri Sandesh Kumar Anand ceased to be the Chairman with effect from August 4, 2023, upon his retirement and Shri Sanjay Asher ceased to be member of the Committee w.e.f. August 4, 2023.

<sup>2</sup> Shri Ajay C. Mehta and Shri Punit Lalbhai were inducted as Members of the Project Committee with effect from August 4, 2023.

## (F) Risk Management Committee:

In compliance with the provisions of Regulation 21 of the Listing Regulations, the Board of Directors has constituted the Risk Management Committee.

The Risk Management Committee has been constituted by the Board to monitor and review the Risk Management Framework of the Company and the same is periodically reviewed by the Board of Directors of the Company.

### (i) Composition of Risk Management Committee

The Risk Management Committee comprises of the following members as on March 31, 2024:

Name of Member	Designation	Category
Shri Deepak C. Mehta	Chairman	Chairman & Managing Director
Shri Sanjay Upadhyay	Member	Director (Finance) & Group CFO
Shri Maulik Mehta	Member	Executive Director & CEO
Shri Vipul Shah	Member	Independent Director
Shri Prakash Samudra <sup>1</sup>	Member	Independent Director

<sup>1</sup> Shri Prakash Samudra was inducted as a Member of Risk Management Committee with effect from August 4, 2023 in place of Shri Sandesh Kumar Anand who ceased to be a Member of the Risk Management Committee, upon his retirement.

The Company Secretary of the Company acts as Secretary to the Committee.

### (ii) Terms of Reference

In accordance with the provisions of the Listing Regulations, the Terms of Reference for the Risk Management Committee of Directors are as under:

- 1) To formulate a detailed Risk Management Policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks;
  - (c) Business continuity plan;
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- 3) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management systems;
- 4) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
- 7) The Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

### (iii) Meetings and Attendance thereat

Two (2) meetings of the Risk Management Committee were held during the Financial Year 2023-24 on September 8, 2023 and October 19, 2023.

The attendance at the Risk Management Committee meeting held during Financial Year 2023-24 is as under:

Name of Member	No. of Risk Management Committee Meetings held during tenure of Director	No. of Risk Management Committee Meetings attended
Shri Deepak C. Mehta	2	2
Shri Sanjay Upadhyay	2	2
Shri Maulik Mehta	2	2
Shri Vipul Shah	2	1
Shri Prakash Samudra <sup>1</sup>	1	1

<sup>1</sup> Shri Prakash Samudra was inducted as a Member of Risk Management Committee with effect from August 4, 2023 in place of Shri Sandesh Kumar Anand who ceased to be a Member of the Risk Management Committee, upon his retirement.

## (G) Sustainability Committee:

The Company has been taking various steps towards conservation of energy and resources, utilization of renewable energy in operations, welfare of internal and external stakeholders including CSR activities.

All these efforts contribute in making the business more sustainable in the long run. In order to provide focused attention and strengthen such efforts, the Board of Directors

at their meeting held on February 13, 2024 constituted a 'Sustainability Committee' of Directors of the Company.

### (i) Composition of Sustainability Committee

The Sustainability Committee comprises of the following members as on March 31, 2024:

Name of Member	Designation	Category
Shri Punit Lalbhai	Chairman	Independent Director
Shri Vipul Shah	Member	Independent Director
Shri Maulik Mehta	Member	Executive Director & CEO
Shri Girish Satarkar	Member	Executive Director

The Company Secretary of the Company acts as Secretary to the Committee.

### (ii) Terms of Reference

Terms of Reference for the Sustainability Committee of Directors are as under:

- a. To develop and recommend to the Board, a Sustainability Roadmap for the Company and identify priorities of the Company for the same;
- b. To review policies of the Company and recommend to the Board, amendments to such policies, if necessary, for their alignment with Sustainability Roadmap of the Company;
- c. To monitor implementation of various Sustainability efforts of the Company on the identified priorities;
- d. To review the Company's disclosures relating to Sustainability on behalf of the Board;
- e. To monitor developments and emerging best practice in approaches to Sustainability and provide insights against the Company's strategy;
- f. To provide support, input and guidance to the management on Sustainability matters;
- g. To avail consultation / support / help from any subject matter expert as deemed appropriate, from time to time; and
- h. Such other matters as may be delegated by the Board, from time to time.

### (iii) Meetings and Attendance thereat

Since the Sustainability Committee was constituted on February 13, 2024, no meeting was conducted during Financial Year 2023-24.

## 4. INFORMATION OF KEY MANAGERIAL PERSONNEL

As required under Section 2(51) and Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following persons are the Key Managerial Personnel of your Company:

Sr No.	Name	Designation
1	Shri Deepak C. Mehta	Chairman & Managing Director
2	Shri Maulik Mehta	Executive Director & Chief Executive Officer
3	Shri Sanjay Upadhyay	Director (Finance) & Group CFO
4	Shri Girish Satarkar	Executive Director
5	Shri Somsekhar Nanda	Chief Financial Officer
6	Shri Arvind Bajpai	Company Secretary

During the Financial Year 2023-24, Shri Girish Satarkar has been appointed as Whole-time Director designated as Executive Director of the Company w.e.f. August 4, 2023.

## 5. INFORMATION OF SENIOR MANAGEMENT

Details of Senior Management Personnel as on March 31, 2024 as defined under Regulation 16(1)(d) of SEBI (LODR) Regulations are as follows:

Sr No.	Name	Designation
1	Shri Milan Nikte	President – Performance Products
2	Shri Subash Dhar	President – Plant Technical Service
3	Shri Malay Kumar	President – Projects
4	Shri K. C. Bahuguna	Chief Information Officer
5	Shri Sanjay Jalla	VP – Supply Chain Management
6	Shri Anant Pande	Chief Manufacturing Officer

During the Financial Year 2023-24, Smt. Shabnam J Gaitonde resigned from the position of Vice President – HR & Admin of the Company with effect from close of business hours on December 19, 2023, due to her personal reasons.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company vide its Circular Resolution passed on March

30, 2024 approved the appointment of Shri Anil Khatri as Business Head - Specialities (Effect Chemicals) of the Company with effect from April 1, 2024.

## 6. REMUNERATION OF DIRECTORS

### (A) Chairman & Managing Director / Executive Directors

The remuneration of the Chairman & Managing Director comprises of salary, allowances, perquisites and other benefits. In addition, the Chairman & Managing Director is also paid a Commission, calculated with reference to the Net Profits of the Company in a particular Financial Year, as may be determined by the Board of Directors on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling stipulated in Section 197 and other relevant provisions of the Companies Act, 2013.

The remuneration of Executive Directors comprises of fixed pay by way of salary, allowances, perquisites and other benefits and includes performance linked variable pay which is paid to Executive Directors at the end of each Financial Year, based on the performance rating depending upon their individual and also the Company's performance as per policy of the Company, as may be determined by the Board of Directors on the recommendations of the Nomination and Remuneration Committee.

The criteria for considering the performance linked variable pay to Executive Directors include key indicators of Company's performance such as Sales, EBITDA, PBT, Working Capital Management, Compliances, Growth in Market Capitalization, Credit Ratings, Cost of Borrowings etc.

The details of remuneration of the Chairman & Managing Director and Executive Directors for the Financial Year 2023-24 are as under:

Name of the Director	Salary & Allowances	Perquisites	Retirement Benefits	Commission / Variable Pay	(₹ in Crores)
					Total
Shri Deepak C. Mehta*	4.93	1.71	0.89	-	7.53
Shri Maulik Mehta	2.41	0.79	0.43	0.61	4.24
Shri Sanjay Upadhyay	2.90	0.89	0.69	0.85	5.33
Shri Girish Satarkar	0.85	0.26	0.20	0.14	1.45
<b>Total</b>	<b>11.09</b>	<b>3.65</b>	<b>2.21</b>	<b>1.60</b>	<b>18.55</b>

\* As per the terms of appointment of Shri Deepak C. Mehta, in addition to the fixed remuneration by way of salary, perquisites and other benefits, he is also entitled to the Commission on the Net Profits of the Company calculated in accordance with Section 198 of the Companies Act, 2013. However, since the Board of Directors of Deepak Phenolics Limited, a wholly owned subsidiary, at their meeting held on May 15, 2024 approved the payment of Commission of ₹ 20 Crores to Shri Deepak C. Mehta for the Financial Year 2023-24, he has not opted any Commission from the Company.

The term of appointment of the Chairman & Managing Director and that of Executive Directors are as under:

S. No.	Name of the Director	Designation	Term of Appointment	
			From	To
1.	Shri Deepak C. Mehta	Chairman & Managing Director	December 14, 2023	December 13, 2028
2.	Shri Maulik Mehta	Executive Director & Chief Executive Officer	May 9, 2021	May 8, 2026
3.	Shri Sanjay Upadhyay	Director (Finance) & Group CFO	April 28, 2022	July 31, 2026
4.	Shri Girish Satarkar	Executive Director	August 4, 2023	August 3, 2026

There is no provision for payment of severance fees.

During the Financial Year 2023-24, Deepak Nitrite Limited Employees Stock Option Scheme approved by the Board of Directors on February 13, 2024. Subsequently Scheme approved by the Shareholders through Postal Ballot on April 19, 2024. No shares awarded to employees under the Scheme.

### (B) Independent Directors and Non-Independent Non-Executive Directors

The Independent Directors and Non-Independent Non-Executive Directors do not draw any remuneration from the Company other than the sitting fee, reimbursement of expenses for attending meetings of the Board of Directors or Committee thereof and such Commission as may be determined by the Board from time to time within the overall approval given by the shareholders and pursuant to the relevant provisions of the Companies Act, 2013.

The amount of Commission to Independent Directors and Non-Independent Non-Executive Directors is determined on the basis of: (a) attendance and time spent for the meetings of Board and Committees thereof; (b) attendance at the General Meeting(s) of the Company during the particular year; (c) role and responsibility as Chairman and/or Member of respective Committee; (d) individual contribution at the meetings and contribution made by the Directors on various matters of the Company.

No remuneration by way of Commission was paid to any single Non-Executive Director in excess of fifty percent (50%) of the total annual remuneration by way of Commission payable to all Non-Executive Directors.

The details of remuneration paid / payable to Independent Directors and Non-Independent Non-Executive Directors for the Financial Year 2023-24 are as under:

(Amount in ₹)				
S. No.	Name	Sitting Fees	Commission	Total
1.	Shri Sandesh Kumar Anand*	2,40,000	10,00,000	12,40,000
2.	Shri Ajay C. Mehta	3,40,000	15,00,000	18,40,000
3.	Shri Meghav Mehta	2,40,000	15,00,000	17,40,000
4.	Shri Sanjay Asher	7,00,000	30,00,000	37,00,000
5.	Smt. Purvi Sheth	4,00,000	30,00,000	34,00,000
6.	Shri Dileep Choksi	4,60,000	20,00,000	24,60,000
7.	Shri Punit Lalbhai	2,40,000	15,00,000	17,40,000
8.	Shri Vipul Shah	4,20,000	20,00,000	24,20,000
9.	Shri Prakash Samudra	3,40,000	30,00,000	33,40,000
<b>Total</b>		<b>33,80,000</b>	<b>1,85,00,000</b>	<b>2,18,80,000</b>

\* Shri Sandesh Kumar Anand ceased to be Non-Executive Director of the Company with effect from August 4, 2023, upon his retirement.

The details of Equity Shares of the Company held by Independent Directors and Non-Independent Non-Executive Directors as on March 31, 2024 are as under:

Sr. No.	Name of Non-Executive Director	No. of shares held
1	Shri Ajay C. Mehta	Nil
2	Shri Meghav Mehta	47,290
3	Shri Sanjay Asher	Nil
4	Smt. Purvi Sheth	Nil
5	Shri Dileep Choksi	Nil
6	Shri Punit Lalbhai	Nil
7	Shri Vipul Shah	Nil
8	Shri Prakash Samudra	Nil

The Company has no pecuniary relationship or transactions with its Non-Executive and Independent Directors other than payment of sitting fees and reimbursement of expenses for attending Board and Committee meetings and Commission as approved by the Members for their invaluable contribution to the Company.

## 7. GENERAL BODY MEETINGS

### (i) Annual General Meetings

The last three Annual General Meetings ('AGM') of the Company were held within the statutory time period and the details of the same are mentioned herein below:

Financial Year	Date	Time	Venue / Mode
2022-23	August 4, 2023	11:30 A.M.	Through Video Conference / Other Audio Visual Means ('VC' / 'OAVM') at Vadodara
2021-22	August 3, 2022	11:30 A.M.	Through Video Conference / Other Audio Visual Means ('VC' / 'OAVM') at Vadodara
2020-21	July 30, 2021	11:30 A.M.	Through Video Conference / Other Audio Visual Means ('VC' / 'OAVM') at Vadodara

### (ii) Special Resolutions

The information regarding Special Resolutions passed in the previous three Annual General Meetings are as follows:

Meeting	Date of AGM	Information regarding Special Resolutions passed
52 <sup>nd</sup> AGM	August 4, 2023	<ol style="list-style-type: none"> <li>1) Re-appointment of Shri Deepak C. Mehta (DIN: 00028377) as the Chairman &amp; Managing Director of the Company for further period five (5) years w.e.f. December 14, 2023, payment of Remuneration to him and continue as the Chairman &amp; Managing Director of the Company beyond the age of Seventy (70) years.</li> <li>2) Re-appointment of Shri Dileep Choksi (DIN: 00016322) as an Independent Director of the Company for a second term of three (3) consecutive years w.e.f. August 7, 2023.</li> <li>3) Payment of remuneration to Executive Directors who are Promoters or members of Promoter Group.</li> </ol>
51 <sup>st</sup> AGM	August 3, 2022	No Special Resolution proposed.
50 <sup>th</sup> AGM	July 30, 2021	Continuation of directorship of Dr. Richard H. Rupp (DIN: 02205790) as an Independent Director of the Company beyond the age of Seventy Five (75) years in terms of Regulation 17(1A) of SEBI (LODR) Regulations, 2015.

### (iii) Extraordinary General Meeting

No Extraordinary General Meeting (EGM) was held during the last three Financial Years i.e. 2023-24, 2022-23 and 2021-22.

### (iv) Postal Ballot conducted during the year and procedure thereof

During the Financial Year 2023-24, the Postal Ballot exercise was undertaken in the month of March-April 2024 seeking approval of shareholders by way of Special Resolutions for adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024 and also extending the said Scheme to the eligible employees of the Group Companies (including subsidiaries) of the Company. Both the Special Resolutions were duly passed and the result of the Postal Ballot was announced on April 20, 2024. The Results were made available on the website of the Company at [www.godeepak.com](http://www.godeepak.com) and were also communicated to BSE Limited, National Stock Exchange of India Limited and National Securities Depository Limited.

The details and voting pattern of the Resolutions passed through the said Postal Ballot exercise are as under:

Sr. No.	Resolution	Ordinary/ Special	No. of Votes Cast	No. and % of Votes in Favour	No. and % of Votes Against
1	Adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024 for grant of Options to the Eligible Employees of Deepak Nitrite Limited.	Special	10,05,13,093	7,98,15,704 (79.41%)	2,06,97,389 (20.59%)
2	Adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024 for grant of Options to the Eligible Employees of Group Company/ies (including Subsidiaries and Associate companies) of Deepak Nitrite Limited.	Special	10,05,12,599	7,98,07,454 (79.40%)	2,07,05,145 (20.60%)

Shri Dinesh Joshi, Practicing Company Secretary, Designated Partner of M/s. KANJ & Co., LLP, Company Secretaries, Pune was appointed as the Scrutinizer for carrying out the above Postal Ballot process in a fair and transparent manner.

The Company has followed the procedure prescribed for conducting Postal Ballot under the provisions of the Companies Act, 2013 and rules made thereunder and the Listing Regulations.

## 8. MEANS OF COMMUNICATION

### a) Financial Results

Pursuant to provisions of the Listing Regulations, the Quarterly, Half Yearly and Annual Financial Results are published in widely circulating national and local dailies such as, The Business Standard (English); The Indian Express and The Financial Express (English and Gujarati).

Statutory Notices are published in The Business Standard (English); The Indian Express and The Financial Express (English and Gujarati). The Company also issues press releases from time to time. Financial Results, Statutory Notices, Press Releases and Presentations made to the institutional investors/analysts, if any, after the declaration of the Quarterly, Half Yearly and Annual Financial Results are submitted to the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") as well as uploaded on the Company's website. The Management Discussion and Analysis Report is a part of the Integrated Annual Report.

The Company's results are displayed on the Company's website at [www.godeepak.com](http://www.godeepak.com). The website also displays official news releases and other statutory and business information.

### b) Annual Reports

Pursuant to MCA Circulars and SEBI Circulars, the Annual Report for Financial Year 2023-24 containing the Notice of 53<sup>rd</sup> AGM is being sent through e-mails to all those Members whose e-mail IDs are registered with the Company / RTA / Depository Participants.

### c) Conference Call with Investors

Conference calls with Investors on Financial Results are held every quarter. Concall Transcript, Audio Recording of Concall are uploaded on the website of the Company within the prescribed time limit under Listing Regulations and are available on the website of the Company at [www.godeepak.com](http://www.godeepak.com).

### d) Stock Exchange Intimations

All unpublished price-sensitive information and material events are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Stock Exchanges are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated on the Stock Exchanges by filing them with the National Stock Exchange of India Limited ("NSE") through

NEAPS / NSE digital portal and with BSE Limited ('BSE') through BSE Listing Centre. They are also displayed on the Company's website at [www.godeepak.com](http://www.godeepak.com).

### e) Letters and Reminders to Shareholders for Unclaimed Shares/Dividends

The Company sends an annual reminder to shareholders who have not claimed their dividends. Reminder letters are also sent to those shareholders whose unclaimed dividends/shares are liable to be transferred to the Investors Education and Protection Fund account. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, a common and simplified norms for processing investor's service request was introduced wherein all members holding securities of the Company in physical mode were mandatorily required to furnish the PAN and Nomination (for all eligible folios) to the Company's RTA by March 31, 2023 which was further extended to September 30, 2023 vide SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023.

Further, SEBI vide Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 has mandated that the security holders holding securities in physical form, whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1<sup>st</sup> April 2024, only upon furnishing all the mentioned details.

Shareholders are requested to furnish the above details to enhance the ease of doing business in the securities market. A letter was also sent to the shareholders detailing the above requirements. The forms can be downloaded from the website of the Company at [www.godeepak.com](http://www.godeepak.com) and also from the website of the RTA at [www.linkintime.co.in](http://www.linkintime.co.in).

### f) Chairman Communique

At every AGM, the Chairman addresses the shareholders on the Company's operations and performance with his speech. Further, the Chairman's statement addressing the shareholders is also published in the Annual Report of the Company.

### g) Website

The Company has a dedicated section 'Investor Relation' on its website at [www.godeepak.com](http://www.godeepak.com) which encompasses all the information for the Investors like Financial Results, Policies and Codes, Stock Exchange filings, Press Releases, Annual Reports, etc.

## 9. GENERAL SHAREHOLDER'S INFORMATION

The details of 53<sup>rd</sup> Annual General Meeting and other General Shareholder's information are as under:

### (i) Annual General Meeting

Day & Date	Tuesday, August 6, 2024
Time	11:30 A.M. (IST)
Venue	Through Video Conference / Other Audio Visual Means ('VC' / 'OAVM')
Financial Year	April 1, 2023 to March 31, 2024
Record Date / Book Closure	July 30, 2024 to August 6, 2024 (both days inclusive)
Dividend payment date	The dividend shall be paid within statutory time limit of 30 days from the date of Annual General Meeting i.e. on or before September 5, 2024.

### (ii) Financial Calendar

Results for the Quarter ending	Tentative Time of Reporting
June 30, 2024	On or before August 14, 2024
September 30, 2024	On or before November 14, 2024
December 31, 2024	On or before February 14, 2025
Audited Annual Accounts for the year ending March 31, 2025	On or before May 30, 2025

### (iii) Listing on Stock Exchanges

The Company's Equity Shares are listed on the following Stock Exchanges:

Name & Address of Stock Exchanges	Stock Code	ISIN with NSDL & CDSL
BSE Limited Pheroz Jeejeebhoy Towers, Dalal Street, Fort, Mumbai	506401	INE288B01029
National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai	DEEPAKNTR	INE288B01029

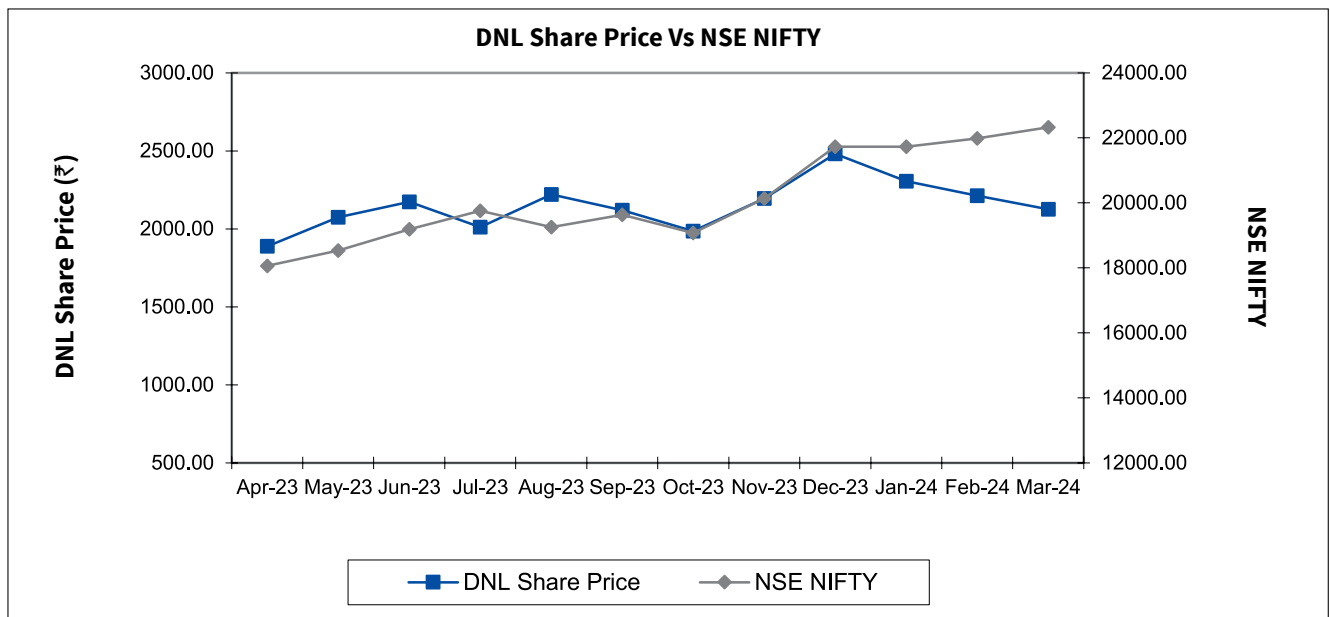
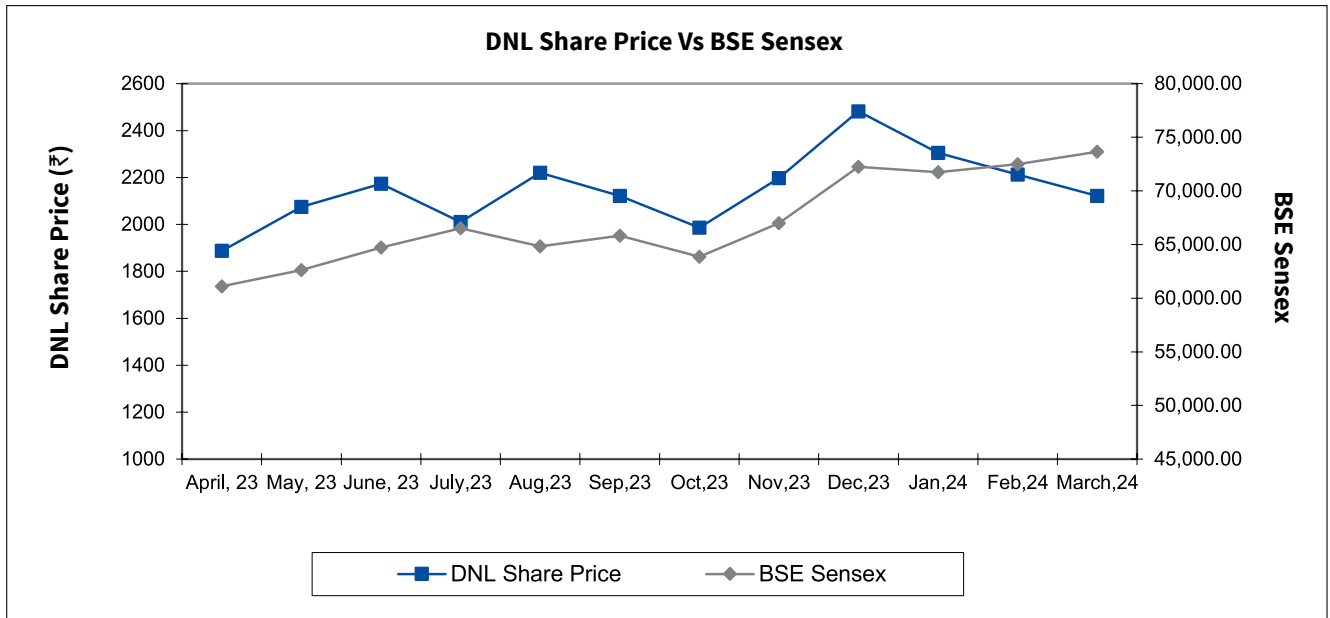
The Securities of the Company have not been suspended from trading during the Financial Year 2023-24 and the requisite Listing fees for Financial Year 2024-25 has been paid to both the Stock Exchanges.

### (iv) Market Price Data of Equity Shares

Monthly High & Low market price of Equity Shares of the Company during Financial Year 2023-24 at BSE and NSE are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2023	1899.00	1783.65	1897.00	1785.00
May, 2023	2160.00	1863.65	2159.05	1864.30
June, 2023	2282.10	2002.10	2281.40	2002.15
July, 2023	2202.70	1900.20	2202.00	1900.90
August, 2023	2232.35	1938.25	2232.85	1942.00
September, 2023	2372.70	2082.20	2372.95	2082.30
October, 2023	2167.85	1921.85	2166.65	1924.75
November, 2023	2239.80	1955.05	2239.20	1955.95
December, 2023	2502.00	2179.40	2501.00	2181.05
January, 2024	2521.15	2208.00	2520.00	2210.00
February, 2024	2378.00	2163.00	2377.85	2163.00
March, 2024	2250.00	2035.10	2250.00	2036.05

Source: Respective Websites of BSE and NSE.



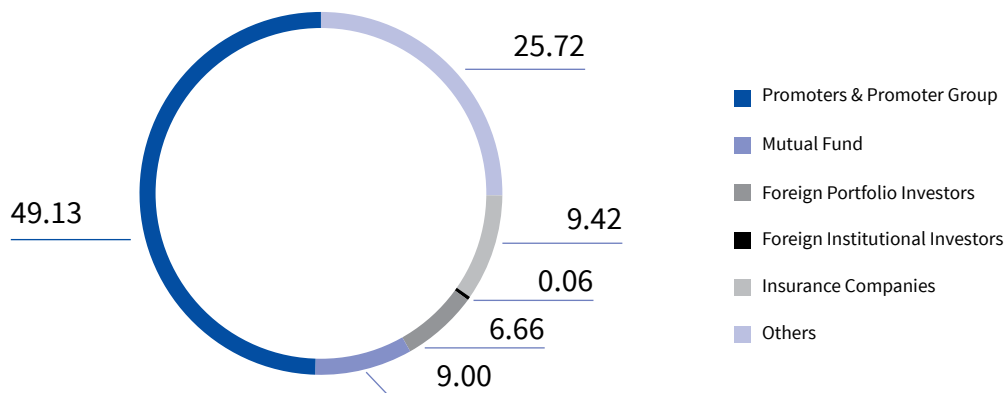
**(v) Distribution of Shareholding as on March 31 , 2024**

Range	No. of Holders	%	No. of Shares	%
1 - 500	5,08,366	98.68	1,34,91,049	9.89
501 - 1000	3,015	0.59	22,95,983	1.68
1001 - 5000	2,897	0.56	64,59,761	4.74
5001 - 10000	460	0.09	32,29,593	2.37
10001 & above	431	0.08	11,09,16,655	81.32
<b>TOTAL</b>	<b>5,51,169</b>	<b>100.00</b>	<b>13,63,93,041</b>	<b>100.00</b>



**(vi) Category- wise Shareholding Pattern as on March 31, 2024**

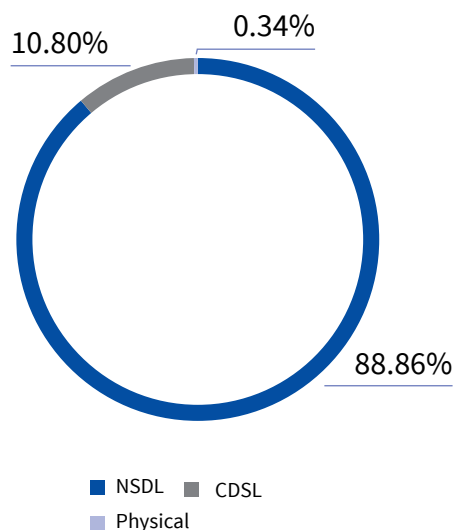
Category of Shareholders	No. of Shares	% to Equity Capital
Promoters & Promoter Group	6,70,12,488	49.13
Mutual Fund	1,22,79,931	9.00
Foreign Portfolio Investors	90,87,139	6.66
Foreign Institutional Investors	84,970	0.06
Insurance Companies	1,28,46,079	9.42
Others	3,50,82,434	25.72
<b>TOTAL</b>	<b>13,63,93,041</b>	<b>100.00</b>



The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the recent past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

**(vii) Dematerialisation of Equity Shares**

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.66 percent of the Company's equity share capital i.e. 13,59,34,510 equity shares were held in dematerialized form as on March 31, 2024. Total paid-up equity capital of the Company as on March 31, 2024, is 13,63,93,041 equity shares of ₹ 2.00 each.


**(viii) Share Transfer System**

In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

Additionally, the company / RTA shall issue a reminder after the end of 45 days and 90 days from the date of issuance of Letter of Confirmation, informing the shareholders to submit the demat request as above, in case no such request has been received by the RTA / Issuer Company. Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

**Nomination facility for shareholding**

SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated May 7, 2024 has made it mandatory for all shareholders holding shares in physical form to furnish

nomination details to the Company / RTA. Shareholders can register their nomination details in Form SH-13 or they can choose to give declaration to opt out of Nomination by filing Form ISR-3.

In case the shareholder holding shares in physical form wishes to change the nominee or cancel the nomination then Form SH-14 needs to be filled.

The aforementioned forms are available on the website of the Company as well as the Registrar and Share Transfer Agent and duly filled form is required to be furnished in hard copy form or through electronic mode with e-signature to the Company / Registrar and Share Transfer Agent.

SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has made it mandatory for all holders holding shares in physical form to furnish the following documents / details to the RTA: a) Permanent Account Number b) Contact details, postal address with PIN, mobile number, E-mail address c) Bank account details (bank name and branch, bank account number, IFS code) d) Specimen signature. For furnishing the above mentioned details, Shareholder shall send the hard copy of Form ISR-1 and/or ISR-2, available on the website of the Company as well as on the website of Registrar and Share Transfer Agent.

Further, SEBI has mandated that the security holders holding securities in physical form, whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated,

shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from April 1, 2024, only upon furnishing all the mentioned details.

As a part of the effective Shareholder management and grievances redressal processes, various Shareholders' request received by the Company and RTA are processed promptly within the prescribed time line. Pursuant to Regulation 40(9) of the Listing Regulations, certificates, on half yearly basis have been issued by a Company Secretary in-Practice for due compliance of share transfer formalities by the Company within timelines as required under the applicable provisions.

Shareholders are informed that in case of any dispute against the Company and/or its RTA on delay or default in processing your requests, as per SEBI Circular dated May 7, 2024, an arbitration can be filed with the Stock Exchanges for resolution.

#### Reconciliation of Share Capital Audit

Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, certificates have been received from a Company Secretary in Practice for timely dematerialization of shares and for reconciliation of the share capital of the Company on a quarterly basis. The said reconciliation report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### (ix) Registrar and Share Transfer Agent

Contact details of the Company's Registrar and Transfer Agent, Link Intime India Private Limited is as under:

##### Mumbai Office:

C-101, 247 Park, L.B.S.Marg,  
Vikhroli (W),  
Mumbai - 400 083  
Tel: 022 - 2594 6970  
Toll free number: 1800 1020 878  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

##### Investor Relation Centre:

"Geetakunj"  
1, Bhakti Nagar Society,  
Behind ABS Tower,  
Old Padra Road,  
Vadodara - 390015  
Tel : 0265 - 3566768  
E-mail : [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in)

#### (x) Address for Correspondence and Investor Assistance

Deepak Nitrite Limited  
2<sup>nd</sup> Floor, Fermenter House, Alembic City,  
Alembic Avenue Road, Vadodara -390003  
Contact Person: Shri Arvind Bajpai

Telephone Numbers:(0265) 2765200, 2765500  
Fax No. : (0265) 2765344  
E-mail : [investor@godeepak.com](mailto:investor@godeepak.com)  
Website : [www.godeepak.com](http://www.godeepak.com)

Shareholders holding shares in electronic mode should address all their correspondence related to change of address or Bank details or NECS mandate to their respective Depository Participants.

#### (xi) Transfer of Unclaimed / Unpaid Dividend amounts to the IEPF

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF. Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more shall also be transferred to IEPF Authority. The said

requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at [www.godeepak.com](http://www.godeepak.com).

The details of unclaimed dividends and shares transferred to IEPF during Financial Year 2023-24 are as follows:

Pertaining to Financial Year	Amount of Unclaimed Dividend transferred	Number of Shares transferred
2015-16	₹ 12,20,988	₹ 17,410

The Members who have a claim on above dividends and/or shares are requested to follow the below process:

1. Submit self-attested copies of documents provided in IEPF 5 helpkit, which is available on IEPF website ([www.iepf.gov.in](http://www.iepf.gov.in)) to the Company / Registrar and Share Transfer Agent (RTA).
2. After verification of the aforesaid documents submitted, the Company will issue an entitlement letter.
3. File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity bond and entitlement letter to the Company.
4. On receipt of the physical documents mentioned above, the Company will submit e-Verification report, for further processing by the IEPF Authority.

Members are requested to note that no claims shall lie against the Company in respect of the dividend/shares transferred to IEPF.

The following table give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's RTA:

Financial Year	Dividend Declaration Date	Last date for claiming unpaid dividend
2016-2017	June 26, 2017	June 25, 2024
2017-2018	August 3, 2018	August 2, 2025
2018-2019	June 28, 2019	June 27, 2026
2019-2020	August 7, 2020	August 6, 2027
2020-2021	July 30, 2021	July 29, 2028
2021-2022	August 3, 2022	August 2, 2029
2022-2023	August 4, 2023	August 3, 2030

## (xii) Green Initiatives

In compliance with the provisions of Section 20 of the Companies Act, 2013 and as a continuing endeavour towards the 'Go Green' initiative, the Company proposes to send all correspondence/communications through email to those shareholders who have registered their email ID with their Depository Participant's/Company's RTA.

## (xii) Commodity Price Risk or Foreign Exchange Risk and hedging activities

The Company has adequate Risk Assessment and Minimisation system in place including Foreign Exchange. The Foreign Exchange Risk is managed through the hedging strategy of the Company which is reviewed periodically.

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same is carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

## (xiii) Plant Locations

1. Nitrite & Nitroaromatics Division  
4-12, GIDC Chemical Complex  
Nandesari - 391 340.  
Dist. Vadodara
2. Talaja Chemicals Division  
Plot Nos. K/9-10,  
MIDC Talaja, Dist. Raigad - 410 208
3. Roha Division  
Plot Nos. 1-8, 26-34,  
MIDC Dhatav, Roha  
Dist. Raigad -- 402 116
4. Hyderabad Specialities Division :  
Plot Nos. 90-F/70-A and B,  
Phase II, Industrial Development Area, Jedimetla,  
Tal. Qutbullaapur Mandal, Dist. Ranga Reddy,  
Hyderabad 500 055
5. Dahej Division: 12/B/2, GIDC, Dahej,  
Dist. Bharuch, Gujarat – 392 130

**(xiv) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial Year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad:**

Not Applicable

The Company did not issue any debt instrument or any fixed deposit programme or any scheme or proposal involving mobilisation of funds, in India or abroad. However, the details credit ratings obtained for banking facilities are provided in the Directors' Report.

**10. OTHER DISCLOSURES:**

**(i) Related Party Transactions**

During the Financial Year 2023-24, all Related Party transactions entered by the Company with Related Parties during FY 2023-24 (including any material modifications thereof), were on an arm's length basis and most of such transactions were in the ordinary course of business and were carried out with prior approval of the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions. All Related Party Transactions that were approved by the Audit Committee were periodically reviewed by the Audit Committee.

Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements.

The policy on materiality of Related Party transactions and on dealing with Related Party Transactions and the same is uploaded on the website of the Company at the following link

[https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate\\_governance\\_report/PolicyMaterialityofRelatedPartyTransactions.pdf](https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate_governance_report/PolicyMaterialityofRelatedPartyTransactions.pdf)

**(ii) Loans and advances in the nature of loans to firms/ companies in which Directors are interested:**

The Company has not given any loans or advances to any firm/company in which its Directors are interested except to its wholly owned subsidiary in accordance with the provisions of the Companies Act, 2013 details of which have been disclosed in the Financial Statements.

**(iii) Details of non-compliance**

There was no instance of non-compliance by the Company nor any penalty or stricture imposed on the Company by any Stock Exchange(s), SEBI or any other statutory authority on

any matter relating to capital markets during the last three years.

**(iv) Whistle Blower Policy and Vigil Mechanism**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior including actual or suspected leak of unpublished price sensitive information. The Company has established a vigil mechanism for Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and also actual or suspected leak of unpublished price sensitive information.

The Whistle Blower Policy is placed on the website of the Company and weblink to the same is as under:

[https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate\\_governance\\_report/Whistle\\_Blower\\_Policy.pdf](https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate_governance_report/Whistle_Blower_Policy.pdf)

**(v) Details of Compliance with Mandatory requirements and adoption of Non-mandatory / discretionary requirements:**

The Company has complied with all the mandatory requirements of the Listing Regulations for the Financial Year 2023-24.

**(vi) Policy for Material Subsidiaries**

In accordance with the provisions of the Listing Regulations, the Company has a duly formulated policy for Material Subsidiaries in order to determine the Material Subsidiaries and to provide governance framework for such subsidiaries. The said policy has been placed on the website of the Company and weblink to the same is as under: [https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate\\_governance\\_report/Policy\\_for\\_Material%20Subsidiaries.pdf](https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate_governance_report/Policy_for_Material%20Subsidiaries.pdf).

The Company is having following material subsidiaries:

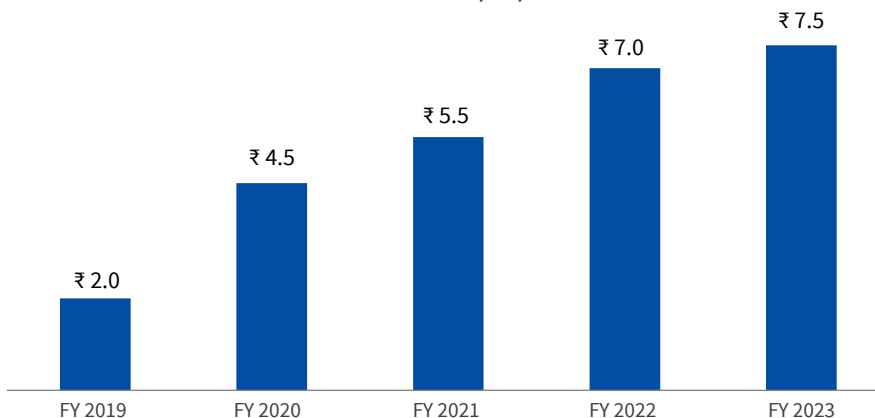
- Deepak Phenolics Limited
- Deepak Chem Tech Limited

**(vii) Dividend Distribution Policy**

The Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the shareholders. The Dividend Distribution Policy is attached as Annexure - I to the Corporate Governance Report and is also available on the website of the Company at [https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate\\_governance\\_report/DNL\\_Dividend%20Distribution%20Policy.pdf](https://www.godeepak.com/wp-content/themes/twenty-sixteen/companyfiles/corporate_governance_report/DNL_Dividend%20Distribution%20Policy.pdf).

### Dividend History of Last five years

Dividend Per Share (in ₹)



#### (viii) Details of Directors seeking appointment or re-appointment:

The details of Directors seeking appointment or reappointment at the 53<sup>rd</sup> Annual General Meeting of the Company are provided in Annexure - I to the Notice convening the 53<sup>rd</sup> Annual General Meeting of the Company and forms part of the Annual Report.

#### (ix) Demat Suspense Account – Unclaimed Share Certificates

In terms of the provisions of the Listing Regulations, the Company has transferred the shares issued pursuant to the public issues or any other issue, the certificates of which remained unclaimed, to an Unclaimed Suspense Account and these shares are being held by the Company in Demat form on behalf of the beneficial owners of the said shares.

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the Listing Regulations, details of equity shares in the Demat Suspense Account are as follows:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the Financial Year 2023-24	19	45,320
Number of shareholders who approached the Company for transfer of shares from Suspense Account during the Financial Year 2023-24	02	1,510
Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2023-24	02	1,510
Number of shareholders whose shares were transferred from Suspense Account to the demat account of IEPF Authority during the Financial Year 2023-24	00	00
Aggregate number of shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2024	17	43,810

The voting rights on the shares outstanding in the Demat Suspense Account as on March 31, 2024, shall remain frozen till the rightful owner of such shares claims the shares.

#### (x) Certificate from Company Secretary in Practice

The following certificates from Shri Dinesh Joshi, Practicing Company Secretary, Designated Partner of M/s. KANJ & Co., LLP, Company Secretaries, Pune, are enclosed to this Report:

- Compliance Certificate regarding compliance of conditions of Corporate Governance; and
- Certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

**(xi) Total Fees to Statutory Auditors**

Total fees paid/payable for all services availed by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP, Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

(₹ in Crores)	
<b>Payment to Statutory Auditors</b>	<b>FY 2023-24</b>
Statutory Audit Fees	0.68
Limited Review	0.36
Tax Audit Fees	0.06
Taxation Services	0.04
Other Certification	0.05
<b>Total</b>	<b>1.19</b>

**(xii) Details of Incorporation and Statutory Auditors of Material Subsidiaries are as follows –**

Name of Material Subsidiary Company	Details of Incorporation	Details of Statutory Auditors
Deepak Phenolics Limited	India 29.03.2011	Deloitte Haskins & Sells LLP appointed on June 25, 2021
Deepak Chem Tech Limited	India 09.10.2020	Deloitte Haskins & Sells LLP appointed on September 30, 2021

**(xiii) Disclosure of status of Complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

No. of Complaints pending at the beginning of Financial Year 2023-24	0
Number of complaints filed during the Financial Year 2023-24	0
Number of complaints disposed off during the Financial Year 2023-24	0
Number of complaints pending as on end of the Financial Year 2023-24	0

**(xiv) Recommendations of the Committees**

During the year under review, there were no instances where recommendations of any Committee of the Board which is mandatorily required for approval by the Board, were not accepted by the Board.

**(xv) Disclosure regarding adoption of discretionary requirements as specified in Part E of Schedule II of Listing Regulations****(a) Modified Opinion(s) in Audit Report**

During the year, there was no audit qualification on Company's Financial Statements. The Statutory Auditors have issued the Audit Report of the year ended March 31, 2024 with unmodified opinion.

**(b) Reporting of Internal Auditor**

The Internal Auditors report to the Audit Committee. Internal Auditors of the Company make quarterly presentations to the Audit Committee on their reports.

(c) The Company has complied with requirements stipulated under Regulation 17 to 27, Schedule V and Sub- Regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable with regard to Corporate Governance.

**10. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives ('Insider Trading Code').

All the Directors, Employees of the Company and their immediate relatives and other connected persons who could have access to the Unpublished Price Sensitive Information of the Company, are governed under this Insider Trading Code and same is also uploaded on the Company's website at [www.godeepak.com](http://www.godeepak.com).

Shri Arvind Bajpai, Company Secretary of the Company is the 'Compliance Officer' for the purpose of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## 11. CODE OF CONDUCT

The Company has framed and adopted a Code of Conduct for the members of the Board and the Senior Management (“the Code”) in terms of requirement of the Listing Regulations. The Code lays the general principles designed to guide all Directors and Senior Management for ethical conduct of business and compliance of laws. The Code has been circulated to all the members of the Board and Senior Management and the same is also posted on the Company’s website at [www.godeepak.com](http://www.godeepak.com).

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the Financial Year 2023-24.

A declaration to that effect signed by the Executive Director & CEO is given below:

<b>DECLARATION</b>	
As per requirement of the Listing Regulations, this is to confirm that all members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2023-24.	
Vadodara May 20, 2024	<b>Maulik Mehta</b> Executive Director & CEO

## 12. CEO / CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on Financial Reporting and Internal Controls to the Board in terms of requirements of the Listing Regulations. The Chief Executive Officer and the Chief Financial Officer also give quarterly certification on Financial Results while placing the Financial Results before the Audit Committee and the Board.

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS**

To,  
The Members,  
**DEEPAK NITRITE LIMITED,**  
2<sup>nd</sup> Floor, Fermenter House,  
Alembic City, Alembic Avenue Road,  
Vadodara - 390003

We have examined the compliance of conditions of Corporate Governance by DEEPAK NITRITE LIMITED (“the Company”) having CIN: L24110GJ1970PLC001735 for the Financial Year ended March 31, 2024 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression on Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KANJ & CO. LLP**  
Company Secretaries

**Dinesh Joshi**

Designated Partner

Membership No.: F3752

CP No. 2246

UDIN: F003752F000407641

Peer Review Certificate No: 1331/2021

Date : May 20, 2024

Place: Pune





To,  
The Members,  
**DEEPAK NITRITE LIMITED**  
2<sup>nd</sup> Floor, Fermenter House,  
Alembic City, Alembic Avenue Road,  
Vadodara - 390003

This is to certify that on verification of declarations made by the Directors and records maintained by DEEPAK NITRITE LIMITED ("the Company"), none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies, by the Securities Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority, as per the requirements of point 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **KANJ & CO. LLP**  
Company Secretaries

Date : May 20, 2024  
Place: Pune

**Dinesh Joshi**  
Designated Partner  
Membership No.: F3752  
CP No. 2246  
UDIN: F003752F000407641  
Peer Review Certificate No: 1331/2021

# Annexure-I

## DIVIDEND DISTRIBUTION POLICY

[Approved by the Board of Directors on May 4, 2018]

### 1. INTRODUCTION

The Securities and Exchange Board of India (SEBI) on July 8, 2016 notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulation, 2016.

Vide these Regulations, SEBI inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which requires top five hundred listed entities (based on market capitalization calculated as on March 31 of every Financial Year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report.

Deepak Nitrite Limited ('the Company'), being one of the five hundred companies as per the criteria mentioned above; the Board of Directors has approved and adopted this Dividend Distribution Policy at their meeting held on May 4, 2018, being the effective date of the Policy.

### 2. OBJECTIVES AND SCOPE

This Policy lays down the broad framework which will act as a guiding principle for the purpose of declaring or recommending Dividend during or for any Financial Year, by the Company.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring Dividend and the circumstances under which shareholders of the Company may or may not expect Dividend and how the retained earnings shall be utilized etc.

The Policy, however, is not an alternative to the decision making process of the Board for recommending Dividend and the Board may take into consideration other factors as well in addition to those numerated in this Policy.

### 3. APPLICABILITY

This Policy shall apply to the Dividend on the Equity Shares of the Company. Presently, the Company has only one class of Equity Shares.

This Policy shall not apply to determination and declaration of Dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue of such preference shares, approved by the shareholders.

### 4. DEFINITIONS

- 4.1. **"Board of Director"** or **"Board"** shall mean the Board of Directors of the Company, as constituted from time to time.
- 4.2. **"Companies Act"** or **"Act"** shall mean the Companies Act, 2013 and Rules framed thereunder, including any amendments, modifications, clarifications or re-enactment thereof, for the time being in force.
- 4.3. **"Dividend"** includes any interim dividend.
- 4.4. **"Financial Year"** a consecutive period of 12 months ending March 31.
- 4.5. **"Policy"** means this Dividend Distribution Policy.
- 4.6. **"Regulations"** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, including any amendments, modifications, clarifications or re-enactment thereof, for the time being in force.

### 5. DECLARATION OF DIVIDEND

- 5.1 Subject to provisions of the Act, Dividend may be declared and paid out of:
  - (a) Profits of the Company for the Financial Year for which the Dividend is to be paid after setting off carried over losses of the previous Financial Year and depreciation not provided in the previous Financial Year(s);
  - (b) Undistributed profits of the previous Financial Years remaining undistributed after provisioning for depreciation in accordance with the Act and/or Regulations; or
  - (c) Out of (a) and (b) both.
- 5.2 Before declaration of Dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

### 6. PARAMETERS FOR DECLARATION OF DIVIDEND

- 6.1 The Board of Directors may consider the following financial parameters, internal and external factors while recommending or declaration of the Dividend:

**A. Financial Parameters / Internal Factors**

- Operating cash flow of the Company
- Profit earned during the Financial Year and available for distribution.
- Earnings Per Share (EPS)
- Gross Dividend payout ratio
- Financial Ratios
- Business expansion and growth
- Company's liquidity position and future cash flow need
- Stipulation / covenants in loan Agreements
- Such other factors as the Board may deem fit from time to time

**B. External Factors**

- Economic environment
- Capital markets
- Global conditions
- Industry outlook and growth rate
- Economic and regulatory framework
- Governmental policies

6.2 While recommending or declaring Dividend, the Board will consider adequacy of profit calculated in accordance with the applicable provisions of the Act and Indian Accounting Standards. The Board of Directors may, in exceptional circumstances, consider utilising retained earnings for declaration of Dividend subject to provisions of the Act and/or Regulations.

**7. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND**

Dividend payout is a crucial decision as it determines the share of profit to be distributed amongst the shareholders and share of profit to be retained in the business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through Dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not normally expect Dividend in the following circumstances, subject to discretion of Board of Directors:

- In case the Company has incurred losses or inadequacy of profit
- It would in the interest of the Company to re-invest / plough back the profits of the Company for major expansion / diversification requiring major funding
- Any other unforeseen event which would restrict ability to recommend Dividend

**8. UTILISATION OF RETAINED EARNINGS**

The Board of Directors may retain its earnings in order to make better use of available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following:

- Market expansion plan
- Product expansion plan
- Increase in production capacity
- Replacement of capital assets
- Diversification of business
- Long term strategic plans
- Dividend payment
- Such other criteria as the Board may deem fit from time to time
- Such purpose as may be permitted under the Act and/or Regulations

**9. PROCEDURE**

9.1 Pursuant to provisions of the Act, the Regulations and the Policy, Interim Dividend approved by the Board of Directors will be confirmed by the shareholders and Final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders' approval, at the ensuing Annual General Meeting of the Company.

9.2 The Members, whose name appears in the Register of Member as on Record Date/Book Closure, as may be decided by the Board of Directors, shall be entitled for Dividend.

9.3 The Dividend shall be paid to the Members within the time limit prescribed under the Act and/or Regulations.

9.4 The Company shall ensure compliance of provisions of the Act and/or Regulations and this Policy in relation to Dividend declared by the Company.

**10. PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES**

Since the Company has issued only one class of Equity Shares with equal voting rights, all the Members of the Company are entitled to receive the same amount of Dividend per Equity Share. The Policy shall be suitably revised at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

**11. DISCLOSURES**

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

## 12. REVIEW AND AMENDMENTS

- 12.1 This Policy will be reviewed by the Board of Directors of the Company as they deem necessary.
- 12.2 The Board of Directors on its own can amend this Policy, as and when deem fit.
- 12.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.