

# Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Fifty Fourth (54<sup>th</sup>) Annual Report of Deepak Nitrite Limited ('DNL' or 'your Company' or 'the Company') along with the Audited Financial Statements for the Financial Year ('FY') ended March 31, 2025. The Directors' Report has been prepared on a standalone basis and the consolidated performance of the Company and its subsidiaries ('Deepak' or 'the Group') has been referred to wherever required.

## FINANCIAL RESULTS

Your Company's financial performance for the year ended March 31, 2025 is summarized below:

(₹ in Crores)

Particulars	Standalone Results		Consolidated Results	
	2024-25	2023-24	2024-25	2023-24
<b>Total Revenue (Gross)</b>	<b>2,675.66</b>	<b>2,848.05</b>	<b>8,365.79</b>	<b>7,757.93</b>
<b>Operating Profit Before Depreciation, Finance Cost, Exceptional Item and Tax (EBITDA)</b>	<b>441.19</b>	<b>567.34</b>	<b>1,175.62</b>	<b>1,199.41</b>
Less: Depreciation and Amortization expenses	99.87	86.79	195.37	165.66
Less: Finance Costs	3.78	2.09	27.50	11.83
Add: Exceptional Items	-	79.80	-	79.80
<b>Profit before Tax</b>	<b>337.54</b>	<b>558.26</b>	<b>952.75</b>	<b>1,101.72</b>
Less: Tax expenses	61.11	124.83	255.38	290.83
<b>Net Profit for the Year</b>	<b>276.43</b>	<b>433.43</b>	<b>697.37</b>	<b>810.89</b>
Other Comprehensive Income	-2.20	-1.66	-3.31	-1.95
<b>Total Comprehensive income for the Year</b>	<b>274.23</b>	<b>431.77</b>	<b>694.06</b>	<b>808.94</b>
Surplus brought forward from previous year	2,392.77	2,063.41	4,234.86	3,528.32
<b>Balance available for Appropriation</b>	<b>2,666.77</b>	<b>2,495.06</b>	<b>4,929.41</b>	<b>4,337.14</b>

The FY 2024-25 unfolded against a complex backdrop marked by geopolitical uncertainties, energy cost volatility, and continued disruptions in global supply chains. It also presented opportunities, as the China+1 strategy gained traction, leading global giants to diversify sourcing to alternative regions including India. The year witnessed tightening margins owing to pricing pressure caused by Chinese aggression in the markets in India and elsewhere in the World, subdued demand in certain agrochemicals—driven by prolonged destocking.

Additionally, global crop prices, particularly wheat, corn, and soybean, witnessed a sharp decline, largely due to record-high wheat exports from Russia and increased grain shipments from Ukraine. However, Deepak's agile operations, consistent plant utilisation, and emphasis on process efficiencies allowed it to maintain reliability and deliver on customer expectations. Strategic investments in process improvements, cost control measures,

and supply chain agility supported margin stability and ensured continuity in dynamic market conditions.

A key trend shaping the global chemical industry has been the intensifying focus on sustainability, driving companies to invest in green technologies, adopt circular economy models, and transition to bio-based feedstocks in response to evolving customer demands and environmental regulations that are increasingly becoming more stringent. Combined with moderate global economic growth, these dynamics have created a challenging yet transformative period for the industry.

Also, Deepak's strong execution track record, manufacturing expertise, deep customer relationships, and commitment to value-added chemistry positioned it to ride on this shift successfully. At the same time, the Company remained alert to external pressures, including raw material cost swings and tightening environmental norms, responding with proactive sourcing diversification,

operational optimization, and enhanced customer focus. For India, despite these global headwinds, strong domestic demand provided a crucial buffer.

Given this backdrop, Deepak reported a resilient performance in FY 2024-25. The Company faced subdued demand in select agrochemicals product due to sluggish global and domestic consumption, accompanied by pressure on realisation due to sustained dumping by Chinese suppliers. Despite these headwinds, your Company ensured a concerted focus on capacity expansion, both greenfield and brownfield, debottlenecking initiatives and R&D investments, focusing on enhancing its portfolio of products, registering better penetration towards geographies and customers. The Company remains cautiously optimistic, citing opportunities arising from global supply chain diversification and strong domestic demand.

Deepak has been investing around ₹ 2,000 Crores in various greenfield projects which are being commissioned for manufacturing products as backward and forward integration. Hence, these products are potentially margin accretive. Looking ahead, DNL anticipates a more favourable outlook given newer robust being added to its product basket, driven by expected demand recovery. These products are nitric acid, specialty chemicals, MIBK-MIBC (produced from Acetone), larger capacity addition in hydrogenation and nitration capabilities to take care of the Group's ambition towards inclusion of product offering to its user industries.

Apart from the above, Deepak has obtained approval from its Board as formal investment decision of ₹ 8,500 Crores towards investing into projects manufacturing Polycarbonate resins, Phenol – Acetone. These projects are expected to be commissioned by FY 2027-28.

With a strong focus on sustainability as evidenced by strong capex pipeline, high TFS scores, cost leadership and operational excellency, Deepak is well-positioned to strengthen its competitive edge. While short-term volatility remains a concern, your Company's robust domestic footprint, continuous innovation in speciality chemicals and expansion initiatives position it favourably to capitalize on India's growing role in the global chemical market.

## PERFORMANCE REVIEW

### Standalone

DNL's fiscal year 2025 unfolded amidst a complex market landscape, characterized by both challenges and strategic advancements. Impact of deferred demand, volatile raw material costs and an influx of supply from Chinese markets hampered its operational performance. Despite these pressures, certain segments within the Company's portfolio, notably dyes and pigments intermediates among others, demonstrated resilience, contributing positively to overall financial performance. This underscored the strength

of your Company's diversified product offerings and its ability to navigate fluctuating market conditions.

During the year ended March 31, 2025, DNL's Total Revenue, including Other Income, stood at ₹ 2,676 Crores. Despite operating challenges, your Company strategically allocated resources to high-demand applications while awaiting a recovery in the agrochemical sector. The Company leveraged its multi-purpose plants for flexibility, ensuring efficient utilization of capacity. Throughout the year, the commissioning of various debottlenecking initiatives led to gains in production capacity for several key intermediates.

Simultaneously, the Company actively executed several key initiatives aimed at securing long-term growth and enhancing its market position. With the commitment to increased Research and Development ('R&D') activity, a new R&D Centre is setup at Savli near Vadodara. New Products in the area of Material Sciences are also being considered based on core competencies of Deepak.

On performance front, your Company's EBITDA stood at ₹ 441 Crores vs ₹ 567 Crores in the previous year, Profit Before Tax (PBT) came in at ₹ 338 Crores, with Profit After Tax (PAT) reaching ₹ 276 Crores. Depreciation and Finance Costs amounted to ₹ 99 Crores and ₹ 4 Crores, respectively.

Domestic Revenue stood at ₹ 1,385 Crores, while Export Revenue came in at ₹ 1,141 Crores, driven by targeted initiatives in favourable markets. Your Company continued to prioritize wallet share expansion and debottlenecking initiatives to enhance volumes amid mixed industry sentiment.

Reinforcing its financial stability, credit rating agencies reaffirmed DNL's ratings, citing its robust operational profile and diversified product range. DNL's ability to sustain strong creditworthiness despite market fluctuations underscored its disciplined financial management and strategic resilience.

Looking ahead, DNL is strategically charting its path toward becoming one of the most integrated and future-ready chemical and petrochemical companies globally. The Company is strengthening its foundation through expansion of its product portfolio, deeper penetration into key markets, and consistent growth across its core business segments, through new projects being done by its subsidiary.

To meet evolving industry demands, the Company is actively exploring new opportunities and adopting cutting-edge technologies. These efforts are complemented by targeted investments in capacity expansion and supply chain resilience, ensuring the agility needed in a dynamic global environment.

DNL has successfully implemented SAP S4 HANA along with various applications around Transport management, Customer

relationship management, Laboratory management, Weigh bridge management, which has been a serious way forward towards streamlining operations, improving inventory management, easing out financial reporting and decision-making processes. This integration of SAP S4 HANA and other applications as mentioned above, enhances transparency, efficiency and transforms DNL into a data-driven organization digitally.

Innovation, sustainability, and customer-centricity remain core to DNL's approach. By embedding these principles into its operations and executing key strategic projects, the Company is well-positioned to bridge global demand-supply gaps and emerge as a preferred partner for international customers—driving long-term, sustainable growth and industry leadership.

### Deepak Phenolics Limited

Deepak Phenolics Limited ('DPL'), a Wholly Owned Material Subsidiary of your Company, is a cornerstone of India's phenolics industry, headquartered in Vadodara, Gujarat. Since commissioning its advanced manufacturing facility in Dahej, Gujarat, in November 2018, DPL has established itself as the country's leading producer of Phenol, Acetone, Cumene, Alpha Methyl Styrene ('AMS') and Isopropyl Alcohol ('IPA'). By leveraging locally sourced raw materials like Benzene and Propylene, combined with an integrated production setup, DPL ensures cost efficiency and operational resilience.

During FY 2024-25, DPL recorded Revenues of ₹ 5,863 Crores compared to ₹ 5,044 Crores in FY 2023-24. The Profit After Tax increased by 25% to ₹ 591 Crores in FY 2024-25 as compared to ₹ 474 Crores in FY 2023-24. Despite the general levels of margin squeeze in the global chemical sector (including Phenol, largely due to economic slowdown in EU Zone and China coupled with capacity addition in China), DPL improved its Revenue and EBITDA / EBIT figures. This was primarily attributed to higher volumes, combined with gains from operating leverage and process optimization, though spread was compressed owing to higher input cost.

In terms of operational performance, DPL demonstrated remarkable resilience and bucked the global trend with impressive sales volumes. The volumes surged by 11%, providing a substantial uplift to the overall performance. This volume growth enabled DPL to set new production records for Cumene, Phenol, Acetone and IPA. DPL capitalized on high utilization rates, keeping its facility running at near-optimal capacity and harnessed operating leverage. Process optimization efforts further enhanced efficiency, allowing DPL to extract more value from its existing infrastructure. Despite the headwinds from volatile raw material costs, DPL has demonstrated resilient performance.

While demand for Phenol and Acetone grew steadily in India, driven by industrial and consumer applications, global oversupply put downward pressure on prices. DPL's ability to weather this situation highlights its competitive edge, a domestic focus that

minimizes foreign exchange risks, high operational efficiency that maximizes output and a diversified product mix that balances market fluctuations. DPL continues to be favoured supplier to various end user industries like – laminates, construction, pharma, paint, adhesive, automobile, plastics etc. DPL's performance will be augmented with further downstream products slated to be manufactured by another Wholly Owned Material Subsidiary of DNL i.e. Deepak Chem Tech Limited ('DCTL'), which shall result in stronger integration and higher value creation for the Group. Notable among these are the development of MIBC (Methyl Isobutyl Carbinol) and MIBK (Methyl Isobutyl Ketone), which utilize Acetone internally to produce high-value derivatives for applications in coatings, mining, and chemical synthesis. These initiatives not only boost captive consumption but also improve profitability by shifting away from commodity-grade Acetone sales.

DPL's Dahej facility is a model of modern industrial design, characterized by a low thermal footprint and advanced automation. Its ability to produce multiple products namely Phenol, Acetone, Cumene, AMS and IPA under one roof provides flexibility and economies of scale. In FY 2024-25, DPL's focus on efficiency was evident in its record-breaking output, achieved through meticulous process enhancements and a skilled workforce.

Further, during the year under review, DPL executed a 15-year agreement with Petronet LNG for procuring 250,000 TPA of Propylene and 11,000 TPA of Hydrogen through pipeline, which will ensure a reliable, cost-effective and sustainable long term raw material availability.

As of March 31, 2025, DPL stands as a resilient and agile entity within the Group. Its ability to persistently achieve higher throughput, set production records and maintain market share amid challenging market dynamics underscores its operational strength. With downstream projects like MIBC and MIBK (being undertaken at Deepak Chem Tech Limited, a fellow subsidiary) gaining traction and infrastructure enhancements progressing, DPL is deepening its role as a value-added Phenolics producer. DPL's strategic initiatives and robust financial health with liquid investments of ₹ 780 Crores, positions it well to navigate the evolving chemical landscape, delivering consistent value to its parent company and its stakeholders.

The successful implementation of SAP S4HANA in the previous year has streamlined DPL's operations, improving inventory management, financial reporting and decision-making processes. This technological upgrade enhances transparency, efficiency and makes DPL data-driven organization.

### Deepak Chem Tech Limited

Deepak Chem Tech Limited ('DCTL'), another Wholly Owned Material Subsidiary of DNL, is poised to capitalise on the thriving opportunities in the Indian chemical industry in line with the

initiative, focusing on Advanced Intermediates and Speciality Chemicals.

As was announced earlier, Deepak has been working on integrated plants to manufacture advanced plastics e.g. Polycarbonate ('PC') resins and its compounds. Towards this, DCTL obtained its Board's approval on November 13, 2024 to invest ₹ 5,000 Crores in a greenfield project to manufacture PC resins at Dahej, Gujarat. This includes infrastructure capex also needed for the facility. Accordingly, DCTL entered into agreements with Trinseo Deutschland Anlagengesellschaft mbH and Trinseo Europe GmbH for acquisition of PC manufacturing assets including all proprietary equipment, having a capacity of 165,000 Metric Tonnes and PC technology license, respectively. The PC manufacturing assets, which are presently located at Stade, Germany, will be relocated to India at Dahej and the PC manufacturing project is expected to be commissioned by the fourth quarter of FY 2027-28. The agreement also provides access to Trinseo's trademark CALIBRE™ for PC resins.

PC is amongst the most versatile engineering polymer finding extensive applications in the automotive segment including electric mobility, electronics & electrical, construction, appliances, medical devices, and other sunrise sectors such as aerospace, aviation, drones etc. Local availability of PC will be essential for growing India's manufacturing base. Domestic production, along with CALIBRE™ trademark's established credibility will support an accelerated approval cycle for new and existing consumers in India where annual imports of PC and its compounds already account for around 4,00,000 MT.

PC is a natural choice to begin the downstream integration in Phenolics value chain and aligns with Deepak's strategy to become an integrated manufacturer of PC from the basic building blocks of Benzene and Propylene.

In order to strengthen PC operations, and DCTL's commitment in building a sustainable and efficient manufacturing ecosystem, the Board of Directors recently approved to undertake project for manufacturing 300 KTA of Phenol, 185 KTA of Acetone and 100 KTA of IPA including greenfield infrastructure capex for an aggregate investment of about ₹ 3,500 Crores. Phenol is used as a key raw material in pre-cursor intermediate of Polycarbonate. This proposed capacity is over and above the existing capacities of Phenol, Acetone and IPA under DPL. The new capacities of Phenol and Acetone would be ultimately integrated to produce PC. Once the PC manufacturing project is set-up, Deepak will be one of the most integrated producer of PC from the above new capacities of Phenol and Acetone.

The Board of DCTL also approved investment of around ₹ 220 Crores to manufacture a key agrochem intermediate towards the Group's foray into Speciality Flouro Chemicals. This project is expected to be commissioned by end of the financial year.

FY 2024-25 marked a pivotal year for DCTL, characterized by large-scale investments and preparations for the commencement of multiple manufacturing units at Dahej and Nandesari. It was also the first full year of operations for DCTL, following the commissioning of BTF plant in March 2024. The year witnessed significant step in financial management and greenfield project execution. DCTL is to commission its Nitric Acid Plant at Nandesari and MIBK/MIBC and Hydrogenation/Nitration plant at Dahej starting Q2 and over Q3 FY 2025-26. Operations team for the project were onboarded in advance of plant startup.

During FY 2024-25, DCTL reported a Loss of ₹ 44.54 Crores, compared to ₹ 7.69 Crores in the previous fiscal year. The higher loss was primarily due to the early phase of operations and the significant capital expenditure incurred for infrastructure development and production readiness. Total Revenue for the year stood at ₹ 11.80 Crores, driven by the sale of BTF and Heat Treatment Powder and Other Income. Though modest, these figures represent the initial phase of commercial operations and lay a strong foundation for future revenue growth, especially as additional product lines become operational.

## Consolidated

FY 2024-25 presented a dynamic operating environment characterized by global inventory destocking, geopolitical uncertainties, commodity price fluctuations, and foreign exchange volatility. These factors posed challenges to the Company's consolidated financial performance. However, Deepak's unwavering commitment to operational excellence, asset optimization, and disciplined business controls enabled it to mitigate risks effectively. Through proactive customer engagement and a strengthened market position, Deepak maintained or expanded its leadership across key product segments, capitalizing on the growing demand and India's import substitution initiatives.

Phenolics continued to be a key driver of consolidated revenue, particularly in the production of Phenol, Acetone and IPA. Strong and consistent domestic demand for Phenolics' products provided operational stability and reinforced its strategic significance within the Group. The subsidiary's performance remains closely linked to the overall growth trajectory of Deepak highlighting its role in the integrated value chain.

Despite market headwinds, the Company upheld its strong financial standing, with credit rating agencies regularly assessing its consolidated operations. While strategic capital expenditures may temporarily impact credit metrics, the Company has historically maintained a prudent financial structure with minimal debt. Its disciplined approach to financial management and judicious investments continue to support its long-term growth aspirations while ensuring financial stability.

As part of its commitment to sustained growth, significant strategic investments were made during the year. Key

initiatives included the expansion of the fluorination plant, and establishment of a state-of-the-art Research & Development centre. These investments are aligned with Deepak's vision of enhancing supply chain resilience, reducing import dependence and fostering technological advancements to maintain its competitive edge.

In terms of financial performance, the Consolidated Total Income for the year stood at ₹ 8,366 Crores, up 8% compared to ₹ 7,758 Crores in the previous year. Growth was primarily driven by the strong performance of the Phenolics segment, which benefited from higher volumes. EBITDA for the year amounted to ₹ 1,176 Crores, down 2% from ₹ 1,199 Crores in FY 2023-24, primarily due to compressed spread caused by higher input cost. However, operational efficiencies, cost optimization measures, increased volumes which contributed to overall profitability. The plant operations at DPL have been more than 165% of capacity utilisation. Essentially, in times of compressed spread, Deepak has intensified its focus on cost optimization and operational efficiency to mitigate input cost pressures and protect profitability, showing a resilient performance.

Despite industry - wide challenges such as inventory destocking and sluggish demand in certain markets, Deepak proactively expanded its customer base, explored new markets, and increased market share. High utilization levels across key business segments, particularly in Phenolics, further supported sustainable revenue growth.

Profit Before Tax (PBT) stood at ₹ 953 Crores compared to ₹ 1,022 Crores in FY 2023-24 (excluding Exceptional Item of ₹ 79.80 Crores), while Profit After Tax (PAT) was ₹ 697 Crores. Despite macroeconomic uncertainties, Deepak showed resilient performance, driven by increased turnover, high level operational efficiency, effective cost management. Geographically, Domestic Revenues stood at ₹ 6,923 Crores, while Export Revenues stood at ₹ 1,359 Crores.

Deepak continues to maintain a robust financial position, with a Consolidated Net Worth of ₹ 5,389 Crores as of March 31, 2025. Additionally, significant liquid investments further strengthen the financial resilience. To enhance operational efficiencies and streamline processes, Deepak has embarked on an extensive digital transformation journey, including SAP implementation and other enterprise solutions. These digital initiatives are expected to drive better operating decisions and improve overall performance.

Looking ahead, Deepak has outlined an ambitious project pipeline. In the first phase, it is in commissioning phase of various plants as aforementioned and in the second phase, Deepak is in the process of implementing manufacturing facilities to manufacture PC resins, Phenol-Acetone, IPA. The construction of a state-of-the-art R&D center in Vadodara further underscores dedication to innovation and global competitiveness. These initiatives are expected to

position Deepak for sustained long-term growth and industry leadership.

Despite macroeconomic challenges, Deepak remains well-prepared to balance short-term market pressures with long-term strategic initiatives. Deepak's unwavering focus on innovation, operational efficiency, and financial prudence will be instrumental in navigating the evolving market landscape and delivering consistent value to stakeholders.

## DECLARATION AND PAYMENT OF DIVIDEND

The Board of Directors of your Company has, considering profitability of your Company during FY 2024-25, decided to maintain the same rate of Dividend as in the previous year and hence recommended a Dividend of ₹ 7.50 (Rupees Seven and Paise Fifty only) per Equity Share of face value of ₹ 2.00 (Rupees Two only) each i.e. 375%. The Dividend on 13,63,93,041 Equity Shares, if approved by the Members at the 54<sup>th</sup> Annual General Meeting, would involve a total outgo amount of ₹ 102.29 Crores, resulting in a Dividend Payout of 37.01% of the Standalone Profit After Tax of the Company. The payment of Dividend is now subject to taxation and the Company is mandated to deduct tax at source from the dividend paid to Members, as per the rates prescribed in the Income Tax Act of 1961.

## RECORD DATE

The Company has fixed Monday, August 4, 2025 as the "Record Date" for the purpose of determining the entitlement of Members to receive Dividend for FY 2024-25.

## DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 ('Listing Regulations'), the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy, which aims to maintain balance between profit retention and a fair, sustainable and consistent distribution of profits among its Members. The said Policy is available on the Company's website and can be assessed at the link [https://www.godeepak.com/wp-content/uploads/2023/11/DNL\\_Dividend-Distribution-Policy.pdf](https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Dividend-Distribution-Policy.pdf).

## UNCLAIMED DIVIDENDS

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 during the year ended March 31, 2025, an amount of ₹ 12,50,930/- (Rupees Twelve Lakhs Fifty Thousand Nine Hundred and Thirty only) towards unpaid / unclaimed Dividends pertaining to FY 2016-17, were transferred to the Investor Education and Protection Fund Account.



## SHARE CAPITAL

The issued, subscribed and paid-up Equity Share Capital of the Company as on March 31, 2025, is ₹ 27.28 Crores, comprising of 13,63,93,041 Equity Shares of face value of ₹ 2.00 (Rupees Two only) each. The Company has not issued any Equity Shares during FY 2024-25. There was no change in the Equity Share Capital of the Company during FY 2024-25.

## TRANSFER TO RESERVES

The Board of Directors do not propose to transfer any amount of Profits as appearing in the Statement of Profit and Loss of the Company for the year ended March 31, 2025 to Reserves.

## FINANCE

Your Company maintains a strategic focus on achieving a balanced capital structure across its consolidated operations, emphasizing efficient working capital management while adhering to stringent criteria and maintaining a prudent level of debt. Through the implementation of enhanced working capital management practices, DNL carries a relatively small and manageable debt load given its size, for the fiscal year under review, maintaining your Company's commitment to financial prudence and operational excellence.

DNL leverages its strong credit ratings to secure cost-effective financing, reducing borrowing expenses. A skilled team manages foreign exchange exposure, ensuring currency risk mitigation and financial stability. With low net debt and solid interest coverage, the Company continues to demonstrate disciplined capital management. Thanks to proactive financial strategies, the Company has efficiently managed its cash flows.

Overall, your Company remains positioned as a formidable player in the industry, driven by a commitment to delivering high-quality products supported by a robust product mix. ICRA Limited's recent reaffirmation of your Company's strong credit ratings, including [ICRA] AA for long-term and [ICRA] A1+ for short-term ratings, underscores the confidence in your Company's financial health.

Moreover, the positive outlook provided for both DNL and its Wholly Owned Subsidiary, Deepak Phenolics Limited, reflects optimism regarding future prospects. Similarly, Deepak Chem Tech Limited was also awarded with a rating of [ICRA] A for long-term, showcasing strength of projects in the very first year.

## DIRECTORS

As on March 31, 2025, your Company has twelve (12) Directors with an optimum combination of Executive and Non-Executive Directors. The Board comprises of eight (8) Non-Executive Directors, out of which six (6) are Independent Directors including one (1) woman Independent Director.

## RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION

The Members of the Company at their 53<sup>rd</sup> Annual General Meeting held on August 6, 2024, approved the re-appointment of Shri Ajay C. Mehta (DIN:00028405) and Shri Meghav Mehta (DIN:05229853), who were retiring by rotation at the 53<sup>rd</sup> Annual General Meeting and being eligible had offered themselves for re-appointment, as the Non – Executive Directors, liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act'), Shri Sanjay Upadhyay (DIN:01776546) and Shri Maulik Mehta (DIN:05227290) will be retiring by rotation at the 54<sup>th</sup> Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment.

Brief resume, nature of expertise, disclosure of relationship between Directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed / re-appointed along with their shareholding in the Company, remuneration, terms and conditions of appointment etc., as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the 54<sup>th</sup> Annual General Meeting.

## INDEPENDENT DIRECTORS

Shri Sanjay Asher, Smt. Purvi Sheth, Shri Dileep Choksi, Shri Punit Lalbhai, Shri Vipul Shah are Independent Directors on the Board of your Company.

### Cessation

Shri Prakash Samudra (DIN:00062355) has ceased to be an Independent Director of the Company, upon his resignation due to his personal reasons. The resignation took effect from close of business hours on April 9, 2025.

Shri Sanjay Asher (DIN:00008221) and Smt. Purvi Sheth (DIN:06449636) will cease to be Independent Directors of the Company with effect from June 28, 2025, upon completion of their second term.

### Appointment / Re-appointment

Shri Punit Lalbhai (DIN:05125502) and Shri Vipul Shah (DIN:00174680), Independent Directors of the Company will be completing their first term on August 7, 2025. In accordance with Part D of Schedule II of the Listing Regulations and based on the report of performance evaluation of Shri Punit Lalbhai and Shri Vipul Shah, the extension of their term of the appointment as Independent Directors of the Company, was recommended by the Nomination and Remuneration Committee.

Further, due to resignation of Shri Prakash Samudra and ensuing completion of second term by Shri Sanjay Asher and Smt. Purvi

Sheth and in accordance with Regulation 17 (1E) of Listing Regulations, your Company has obtained following approvals from Members of the Company by way of Special Resolutions passed on May 25, 2025, through Postal Ballot:

- Appointment of Dr. Arvind Nath Agrawal (DIN:00193566) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Appointment of Ms. Bhumika Batra (DIN:03502004) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Appointment of Shri Mahesh Ramchand Chhabria (DIN:00166049) as an Independent Director of the Company for the first term of three (3) consecutive years, with effect from June 28, 2025.
- Re-appointment of Shri Punit Lalbhai (DIN:05125502) as an Independent Director of the Company for the second term of three (3) consecutive years, with effect from August 8, 2025.
- Re-appointment of Shri Vipul Shah (DIN:00174680) as an Independent Director of the Company for the second term of three (3) consecutive years, with effect from August 8, 2025.

All the Independent Directors of the Company have submitted their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Schedule IV and Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Independent Directors of the Company have confirmed that they have enrolled themselves in Independent Directors Data Bank maintained with the Indian Institute of Corporate Affairs (IICA) in terms of Section 150 of the Act read with Rule 6(2) of the Companies (Appointment & Qualification of Directors) Rules, 2014.

During the year under review, the Company had no pecuniary relationship or transactions with its Independent Directors, except for sitting fees, reimbursement of meeting related expenses, and Commission on Net Profits as approved by Members of the Company, in accordance with the Act and Listing Regulations.

In compliance with the Act, a separate meeting of Independent Directors was held on March 10, 2025, without the presence of management, to evaluate the performance of the Chairperson, Non-Independent Directors and the Board as a whole, and to assess the quality, quantity, and timeliness of information flow between management and the Board. All Independent Directors attended the said meeting.

## BOARD EVALUATION AND CRITERIA FOR EVALUATION

In compliance with the Act and Listing Regulations and based on the Nomination and Remuneration Committee's recommendation, the Board adopted a Performance Evaluation Policy outlining criteria for evaluating the performance of the Board, its Committee and individual Directors, including Independent Directors. The Board has carried out an annual evaluation of its own performance, its Committee and individual Directors, based on the criteria as provided in the Performance Evaluation Policy.

At the meeting of Board of Directors held on May 28, 2025, the performance of Independent Directors was assessed by the Board excluding the Independent Director being evaluated.

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 and possess very good understanding of the Company's business and the general economic environment. They devote quality time and full attention to understand key issues relating to business of the Company and advise on the same which improved governance standards within the Company.

The criteria for evaluation of performance of Independent Directors are:

- Relevant Knowledge, Expertise and Experience.
- Devotion of time and attention to the Company's long term strategic issues.
- Addressing the most relevant issues for the Company.
- Discussing and endorsing the Company's strategy.
- Professional Conduct, Ethics and Integrity.
- Understanding of Duties, Roles and Functions as Independent Director.

Further, the Board, after soliciting inputs from Committee members, evaluated the Committees' performance and affirmed their optimal composition, comprising requisite Independent Directors and well-defined terms of reference. The Committees rigorously deliberated on critical business, operational and governance matters, offering substantive recommendations. The Directors endorsed the robustness of the evaluation process.

## KEY MANAGERIAL PERSONNEL

In compliance with 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:

1. Shri Deepak C. Mehta (DIN:00028377), Chairman & Managing Director
2. Shri Maulik Mehta (DIN:05227290), Executive Director & Chief Executive Officer

3. Shri Sanjay Upadhyay (DIN:01776546), Director (Finance) & Group CFO
4. Shri Girish Satarkar (DIN:00340116), Executive Director
5. Shri Somsekhar Nanda, Chief Financial Officer
6. Shri Arvind Bajpai, Company Secretary

During the year under review, there has been no change in the Key Managerial Personnel of the Company.

## NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD

During FY 2024-25, four (4) meetings of the Board of Directors were held. The details of these meetings and Directors' attendance are provided in the Corporate Governance Report, which forms part of this Report. As per the requirement of the Act and Listing Regulations, the interval between two (2) meetings of Board of Directors and Audit Committee did not exceed one hundred and twenty (120) days. The composition, terms of reference, and number of meetings of the Board Committees during the year are also detailed in the Corporate Governance Report.

All recommendations made by the Committees during FY 2024-25 were duly accepted by the Board.

## AUDIT COMMITTEE

The Audit Committee comprised of three (3) members and all the members are Independent Directors.

Shri Dileep Choksi is the Chairman of the Audit Committee. Shri Sanjay Asher and Shri Vipul Shah are members of the Committee. During the year under review, four (4) meetings of the Audit Committee were held.

The purpose of Audit Committee is to oversee the accounting and financial reporting process of the Company, the audits of the Company's Financial Statements and the appointment, independence and performance of the Statutory Auditors, Secretarial Auditors and the Internal Auditors.

The terms of reference of the Audit Committee, details of meetings held during the year and attendance of members of the Audit Committee are provided in the Corporate Governance Report, which forms part of this Report.

There were no instances where the recommendations of the Audit Committee were not accepted by the Board.

## AUDITORS OF THE COMPANY:

### a) STATUTORY AUDITORS:

Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.: 117366W/ W-100018) were re-appointed as

Statutory Auditors of your Company at the 51<sup>st</sup> Annual General Meeting of the Company held on August 3, 2022, to hold office as the Statutory Auditors for a second term of five (5) consecutive years from the conclusion of 51<sup>st</sup> Annual General Meeting upto the conclusion of 56<sup>th</sup> Annual General Meeting of the Company to be held in the FY 2027-28.

During the year, the Statutory Auditors have confirmed that they are not disqualified from being continued as the Statutory Auditors of the Company and satisfy the prescribed eligibility Criteria.

### b) SECRETARIAL AUDITORS:

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board of Directors at their meeting held on May 28, 2025, have recommended to the Members of the Company for their approval, the appointment of KANJ & Co. LLP, Company Secretaries, (Firm Registration No. P2000MH005900 and having Peer Review No. 6309/2024) as Secretarial Auditors of the Company for a term of five (5) consecutive years, to carry out the Secretarial Audit of your Company from FY 2025-26 to FY 2029-30.

KANJ & Co. LLP, Company Secretaries have confirmed that they are not disqualified from being appointed as the Secretarial Auditors of the Company and satisfy the prescribed eligible criteria.

The above proposal and related information forms part of the Notice convening 54<sup>th</sup> Annual General Meeting of the Company.

### c) COST AUDITORS:

The Company is required to prepare, maintain and have its cost records audited by a Cost Accountant as per Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

The Board of Directors, at their meeting held on May 28, 2025, on the recommendation of the Audit Committee, has re-appointed B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219) as the Cost Auditors of your Company for FY 2025-26 at a remuneration of ₹ 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) plus applicable taxes and out of pocket expenses. B. M. Sharma & Co., Cost Accountants being eligible, have consented to act as Cost Auditors of the Company.

As required under provisions of the Act, the remuneration of Cost Auditors as approved by the Board of Directors is subject to ratification by the Members at the 54<sup>th</sup> Annual General Meeting of the Company. An Ordinary Resolution for the ratification of remuneration of Cost Auditors for FY 2025-26 is



provided in the Notice convening 54<sup>th</sup> Annual General Meeting for approval by the Members. Your Directors recommend the same for approval by the Members.

The Cost Auditors have confirmed that they are not disqualified from being appointed as the Cost Auditors of the Company and satisfy the prescribed eligibility criteria.

The Cost Audit Report for FY 2024-25 will be filed within the prescribed period of 180 days from the end of the Financial Year.

#### **d) INTERNAL AUDITORS**

Based on the recommendation of Audit Committee, the Board of Directors, at their meeting held on May 28, 2025, re-appointed Sharp & Tannan Associates, Chartered Accountants, (Firm Registration No. 109983W) as Internal Auditors to conduct the Internal Audit for FY 2025-26. The Internal Auditors present their findings and status updates to the Audit Committee on a quarterly basis.

### **AUDITORS' REPORT**

#### **a) STATUTORY AUDITOR'S REPORT**

The observations made in the Statutory Auditor's Report of Deloitte Haskins & Sells LLP, Chartered Accountants, for the year ended March 31, 2025, read together with relevant notes thereon are self-explanatory and hence do not call for any comments.

There was no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their Report. For FY 2024-25, the Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(a) of the Act is not applicable.

#### **b) SECRETARIAL AUDITOR'S REPORT**

The Secretarial Audit Report of KANJ & Co. LLP, Company Secretaries, Pune, for the year ended March 31, 2025 in Form MR-3 is annexed as Annexure - A, which forms part of this Report.

The Secretarial Audit Report and the Secretarial Compliance Report for FY 2024-25, does not contain any qualification, reservation or adverse remark. During FY 2024-25, the Secretarial Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3) (a) of the Act is not applicable.

#### **c) SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARY COMPANIES**

In accordance with Regulation 24(1) of the Listing Regulations, the Secretarial Audit Report of Deepak Phenolics Limited

('DPL'), a material unlisted Wholly Owned Subsidiary, has been annexed to this Report as Annexure-B as per Listing Regulations. The Secretarial Audit of DPL for the year ended March 31, 2025 was conducted by Samdani Shah & Kabra, Company Secretaries, Vadodara, (Firm Registration No. P2008GJ016300). The Secretarial Audit Report confirms that DPL has complied with all applicable provisions of the Act, Rules, Regulations, and Guidelines, with no instances of deviation or non-compliance. The said Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial Audit of Deepak Chem Tech Limited ('DCTL'), another Wholly Owned Material Subsidiary, was conducted by Samdani Shah & Kabra Associates, Vadodara (Firm Registration No. P2008GJ016300), for the year ended March 31, 2025. The Secretarial Audit Report confirms DCTL's compliance with the provisions of the Act, Rules, Regulations, and Guidelines, with no instances of deviation or non-compliance. In line with the Listing Regulations, the Secretarial Audit Report of DCTL is annexed to this Report as Annexure-C. The said Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### **d) Cost Audit Report**

The Cost Audit Report issued by B. M. Sharma & Co., Cost Accountants, does not contain any qualification, reservation, adverse remark or disclaimer. During FY 2024-25, the Cost Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(a) of the Act is not applicable.

### **RISK MANAGEMENT**

The core objective of your Company's Risk Management framework is to:

- Enhance value creation in an evolving and uncertain business landscape.
- Strengthen corporate governance and promote a culture of risk awareness.
- Proactively address stakeholder expectations through a structured Risk Assessment process.
- Improve organizational resilience and drive long-term sustainable growth.

Pursuant to Regulation 21 of the Listing Regulations, your Company has a duly constituted Risk Management Committee that operates under the guidance of the Board of Directors. The Risk Management Committee monitors the risks and their mitigation actions as well as formulating strategies towards identifying new and emerging risks. Further, the Board is apprised of any actual/emerging risk that may threaten or impact the long-term plans of the Company.

Your Company has established a comprehensive Enterprise Risk Management framework and policy that seeks to minimise the adverse impact on business objectives, capitalise on opportunities and is consistently applied across the organization. This framework aligns with internationally recognized best practices, including COSO and ISO 31000, and has been tailored to suit your Company's business environment. It encompasses a broad spectrum of risks -related to strategic, business, operations, financial, compliance and reputation, each of which may have internal and external dimensions. Hence, appropriate risk indicators are used to identify these risks. Your Company leverage key risk indicators to proactively identify and assess potential threats, ensuring that risk responses consider the interests of all critical stakeholders.

To further strengthen governance, the Chief Financial Officer of the Company also serves as the Chief Risk Officer and is responsible for identifying, measuring, monitoring, mitigating, and reporting risk exposures to the Risk Management Committee.

Your Company uphold a balanced risk appetite, enabling it to pursue growth while maintaining strong risk controls. Its approach is driven by a commitment to environmental and social responsibility, ethical governance, regulatory compliance, agility in innovation, operational resilience and financial prudence.

Further details on the Risk Management Committee and its role are provided in the Corporate Governance Report, which forms part of this Annual Report.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a robust Internal Control system, aligned with the requirements of Section 134(5)(e) of the Act, designed to match the scale, complexity, and operational needs of the business. The Audit Committee, composed of professionally qualified Directors, plays a pivotal role in ensuring the integrity of financial and operational controls. It actively engages with the Statutory Auditors, Internal Auditors and Management to oversee and strengthen the Internal Control environment.

A comprehensive and well-structured Internal Control framework is implemented that ensures:

- Authorization, accuracy, and accountability in financial transactions.
- Proper recording and reporting of financial data.
- Protection of assets from unauthorized use or misappropriation.
- Implementation of operational and fraud risk controls across all financial processes.

## Internal Financial Control Framework

The Internal Financial Control ('IFC') framework is structured to strengthen financial governance and ensure the accuracy and reliability of financial and operational reporting, in line with the requirements of Section 134(5)(e) and Schedule IV and other relevant provisions of the Act and Listing Regulations. This includes:

- Documented policies, guidelines, and procedures for effective financial management.
- Identification and assessment of key financial risks and controls across all critical processes.
- Robust and continuous internal monitoring mechanisms
- Independent validation by Internal Auditors to assess the efficiency of IFC mechanism.
- Standard Operating Procedures, policies and authorities to guide the operations of business.

The Statutory Auditors' Report includes an independent assessment of the Company's Internal Financial Controls over Financial Reporting, reinforcing transparency and accountability.

To uphold objectivity and independence, the Internal Auditor reports directly to the Chairperson of the Audit Committee.

The Audit Committee defines the scope and authority of the Internal Auditor, ensuring:

- Ongoing monitoring and evaluation of Internal Control systems.
- Compliance with operating procedures, accounting policies and regulatory requirements across all Company locations and its subsidiaries.
- Identification of process gaps and implementation of corrective actions to strengthen Internal Controls.
- Scrutiny and approval of Related Party Transactions to ensure fairness and transparency.

Internal audit findings are reviewed and process owners take corrective measures in their respective areas to enhance control mechanisms. Significant audit observations and corrective actions are periodically reported to the Audit Committee for review and strategic oversight.

## WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Pursuant to provisions of Section 177(9) of the Act, read with Regulation 22(1) of the Listing Regulations, your Company has adopted a Whistle Blower Policy ('Policy'), to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, including actual or suspected leak of

unpublished price sensitive information, actual or suspected fraud or violation of the Company's Code of Conduct.

The Policy provides for adequate safeguards against victimization of employees and also provides direct access to the Chairman of the Audit Committee in certain cases. It is affirmed that no personnel of the Company was denied access to the Audit Committee.

The Whistle Blower Policy is available on the Company's website at [https://www.godeepak.com/wp-content/uploads/2023/11/DNL\\_Whistle-Blower-Policy.pdf](https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Whistle-Blower-Policy.pdf).

### DEPOSITS FROM PUBLIC

No deposits were accepted from the public during the year ended March 31, 2025 and no amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2025.

### RELATED PARTY TRANSACTIONS

Your Company has a well-defined process of identification of Related Parties including transactions with Related Parties, its approval and review process.

The Board of Directors has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions ('RPT Policy') that defines material modifications to Related Party Transactions and includes clear threshold limits. The RPT Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all the transactions between the Company and its Related Parties. During the year, the Board of Directors at their meeting held on February 13, 2025 reviewed and amended the RPT Policy as required under Regulation 23 of the Listing Regulations. The RPT Policy can be accessed on the Company's website at [www.godeepak.com](http://www.godeepak.com).

During FY 2024-25, all Related Party Transactions entered by the Company with Related Parties (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 reviewed by the Committee on quarterly basis.

All Related Party Transactions are also subjected to independent review by the Internal Auditors of the Company to ensure compliance with the requirement of Related Party Transactions under the Act and Listing Regulations.

During FY 2024-25, there was no material significant Related Party Transactions entered into by the Company and hence, no information is required to be provided as prescribed under Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2. Details of Related Party Transactions entered into by the Company, have been disclosed in the Notes to the Standalone and Consolidated Financial Statements, which forms part of this Integrated Report.

As required under the provisions of Listing Regulations, the Company submits details of all Related Party Transactions in the prescribed format to the Stock Exchanges on a half-yearly basis.

### SUBSIDIARY / ASSOCIATE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to approval granted by the Board of Directors on May 20, 2024, your Company completed the acquisition of 10,000 Equity Shares of ₹ 10/- each of OXOC Chemicals Limited on August 9, 2024, for a total consideration of ₹ 1,00,000/-, thereby making it a Wholly Owned Subsidiary of your Company. The main object of OXOC Chemicals Limited include manufacturing of Polycarbonate ('PC') resins and compounds. This acquisition was with a view to expedite Deepak's foray into PC compounding business. Subsequently, the name of OXOC Chemicals Limited was changed to Deepak Advanced Materials Limited ('DAML') with effect from November 18, 2024. DAML is producing PC compounds at its facility in Savli, Vadodara, Gujarat, for electronic and mobility sectors.

Further, Deepak Chem Tech Limited, a material Wholly Owned Subsidiary of the Company, entered into a Share Purchase Agreement on May 31, 2024 and acquired 1,49,10,070 Equity Shares of ₹ 10/- each, representing 100% of paid-up Equity Share Capital, from the shareholders of Narmada Thermal Power Private Limited ('NTPPL'), for a total consideration of ₹ 61.65 Crores. Consequently, NTPPL became step down Wholly Owned Subsidiary of your Company. NTPPL is not carrying on any business however, it has an industrial land admeasuring about 125 acres, which would be at disposal of Deepak for setting up future projects.

As on March 31, 2025, your Company has following seven (7) subsidiaries:

- Deepak Phenolics Limited
- Deepak Chem Tech Limited
- Deepak Advanced Materials Limited
- Deepak PMC Limited
- Narmada Thermal Power Private Limited
- Deepak Nitrite Corporation Inc.
- Deepak Oman Industries (SFZ) LLC

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Director's Report has been prepared on a Standalone basis. Pursuant to requirement of Section 136 of the Act, which has exempted companies from attaching the financial statements of the subsidiary companies along with the Annual Report of the company, your Company will make available the Annual Financial Statements of subsidiary companies and the related detailed information to any Member of the Company on receipt of a written request from them at the Registered Office of the Company. The Annual Financial Statements of subsidiary companies will also be kept open for inspection at the Registered Office of the Company on any working day during business hours. These are also available on the website of your Company at [www.godeepak.com](http://www.godeepak.com). The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

There was no company which has ceased to be subsidiary or associate of your Company during the year ended March 31, 2025.

Your Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the Listing Regulations duly approved by the Board of Directors and can be accessed on the Company's website at [www.godeepak.com](http://www.godeepak.com).

## PERFORMANCE OF SUBSIDIARIES

### (a) Deepak Phenolics Limited

Deepak Phenolics Limited ('DPL'), is a Wholly Owned Material Subsidiary of your Company. DPL is engaged in the business of manufacturing Phenol, Acetone, Cumene, Alpha Methyl Styrene and Iso Propyl Alcohol at its state-of-the-art facility at Dahej in the state of Gujarat. The detailed performance of DPL is provided under the section Performance Review of this Report.

### (b) Deepak Chem Tech Limited

Deepak Chem Tech Limited ('DCTL'), a Wholly Owned Material Subsidiary of your Company is implementing projects for manufacturing various intermediate chemical products. The detailed performance of DCTL is provided under the section Performance Review of this Report.

During the year under review, additional investments of ₹ 383.50 Crores were made in DCTL by your Company and the paid-up Share Capital of DCTL as at March 31, 2025 was ₹ 923 Crores divided into 49,95,00,000 Equity Shares of ₹ 10/- each and 4,23,50,000 Preference Shares of ₹ 100/- each.

### (c) Deepak Advanced Materials Limited

Deepak Advanced Materials Limited (formerly known as OXOC Chemicals Limited) ('DAML'), incorporated on February 5,

2024, became Wholly Owned Subsidiary of the Company on August 9, 2024. DAML is engaged in business of manufacturing Polycarbonate compounds at Savli, Vadodara, Gujarat.

During the year under review, additional investments of ₹ 34.50 Crores were made in DAML by your Company and the paid-up Equity Share Capital of DAML as at March 31, 2025 was ₹ 34.51 Crores divided into 3,45,10,000 Equity Shares of ₹ 10/- each.

During FY 2024-25, the Total Income of DAML was ₹ 7.39 Crores with Loss before Tax of ₹ 8.38 Crores.

### (d) Deepak PMC Limited

Deepak PMC Limited ('DPMCL') was incorporated on December 2, 2023 as a Wholly Owned Subsidiary of your Company. This subsidiary has been incorporated inter alia to provide Project Engineering, Procurement, Construction, Commissioning, Management and Consultancy Services. The paid-up Equity Share Capital of DPMCL as on March 31, 2025 was ₹ 5 Crores. During FY 2024-25, the Total Income of DPMCL was ₹ 8.61 Crores with Profit of ₹ 0.53 Crores.

### (e) Narmada Thermal Power Private Limited

During FY 2024-25, Deepak Chem Tech Limited, a Wholly Owned Material Subsidiary of your Company, acquired 100% of paid-up Equity Share Capital of Narmada Thermal Power Private Limited ('NTPPL'). Consequently, NTPPL became Wholly Owned (Step down subsidiary) of your Company. The paid-up Equity Share Capital of NTPPL is ₹ 14.91 Crores divided into 1,49,10,070 Equity Shares of ₹ 10/- each.

At present, NTPPL is not carrying on any business.

### (f) Deepak Nitrite Corporation Inc. (USA)

Deepak Nitrite Corporation Inc. ('DNC') is a Wholly Owned Subsidiary based in the United States. DNC was established to support your Company's marketing needs in North and South America. During FY 2024-25, DNC generated Total Revenue of USD 15,708 and achieved a Net Income of USD 597.

### (g) Deepak Oman Industries (SFZ) LLC

Deepak Oman Industries (SFZ) LLC ('DOIL'), incorporated in Oman, became subsidiary of your Company during FY 2023-24 by acquiring 51% of Equity Share Capital of DOIL. DOIL is setting up a greenfield project to manufacture Sodium Nitrite, Sodium Nitrate, in Salalah Free Zone, Sultanate of Oman which benefits from low-cost inputs of raw materials and energy and plans to serve global customers. During FY 2024-25, DOIL generated Total Income of Omani Riyal 16,598 and achieved a Net Profit of Omani Riyal 13,348.

During FY 2024-25, your Company executed a Deed of Guarantee on October 23, 2024 in favour of Export Import

Bank of India for securing the Term Loan of USD 49 million and also to cover interest and other charges thereon.

The Audited Consolidated Financial Statements of the Company for the year ended March 31, 2025 together with the Auditor's Report, constitute part of this Annual Report in compliance with the provisions of the Act, Regulation 33 of the Listing Regulations and relevant Accounting Standards. Additionally, Form No. AOC- I, detailing the salient features of the Company's subsidiary companies, is attached to the Financial Statements.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Particulars of loans given, investments made, guarantees given and securities provided during FY 2024-25 in accordance with the provisions of Section 186 of the Act are provided in the Standalone Financial Statements.

### **EMPLOYEE STOCK OPTION SCHEME**

"Deepak Nitrite Limited Employee Stock Option Scheme 2024" ("Scheme") was approved by the Board of Directors at their meeting held on February 13, 2024. Subsequently, it was approved by Members of the Company by way of Special Resolution passed through Postal Ballot on April 19, 2024. Under the Scheme, the employees of the subsidiary companies of the Company are also eligible to participate.

No options were granted to the eligible employees under the Scheme during FY 2024-25.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of your Company since the close of the Financial Year i.e. since March 31, 2025 and the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of your Company.

### **INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of the Companies Act, 2013 read with Investor Education and Protection Fund [IEPF] Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the unpaid or unclaimed dividend and shares in respect of which dividend are unpaid or unclaimed for a period of seven consecutive years or more to IEPF. Accordingly, the Company has transferred the unclaimed dividend of ₹ 12,50,930/- pertaining to FY 2016-17 which remained unclaimed for seven consecutive years and the corresponding 62,276 shares to the IEPF authority. Dividend for FY 2023-24 on shares held by IEPF authority amounting to ₹ 39,04,019/- was also transferred to IEPF.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) and based on the framework of Internal Financial Controls established and maintained by the Company, work performed by the Internal, Statutory, Secretarial and Cost Auditors and external agencies including audit of Internal Financial Controls over Financial Reporting by the Statutory Auditors and reviews performed by the management and relevant Board Committees, including Audit Committee, the Board is of the opinion that your Company's Internal Financial Controls were adequate and effective during FY 2024-25.

Pursuant to Section 134(5) of Act, the Board of Directors, to the best of their knowledge and ability confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;
- b) it has selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) it has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) it has prepared the annual accounts on a going concern basis;
- e) it has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) it has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were in place, are adequate and operating effectively.

### **CORPORATE GOVERNANCE**

The Company ensures that it evolves and follows the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value, but also to respect rights of the minority.

Our corporate governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. The Company adheres to the corporate governance requirement set out by Securities and Exchange Board of India and considers the same as its inherent responsibility to disclose timely and accurate information to its stakeholders



regarding its operations, performance, leadership and governance of the Company.

A Certificate by the Chief Executive Officer and the Chief Financial Officer of the Company in terms of Listing Regulations, inter alia confirming the correctness of the Financial Statements are placed before the Audit Committee and Board of Directors of the Company on quarterly basis.

A separate Report on Corporate Governance is provided together with a Certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations, which forms part of the Annual Report.

### LEGAL COMPLIANCE MANAGEMENT TOOL

The Company has in place, an online legal compliance management tool, for monitoring the compliances across its various plants and offices which has been devised to ensure compliance with all applicable laws that impact the Company's business. System-based alerts are generated until the user successfully submits the compliances, with provision for escalation to the higher-ups in the hierarchy. The compliance owners certify the compliance status which is reviewed by compliance approvers and a consolidated dashboard is presented to the respective functional heads and the Compliance Officer. A certificate by Key Managerial Personnel of your Company regarding compliance of all applicable laws and regulations is placed before the Board of Directors of your Company on a quarterly basis.

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report ('BRSR') annexed to this Report, follows the National Guidelines on Responsible Business Conduct ('NGRBC') principles on the social, environmental and economic responsibilities of business.

In accordance with Regulation 34(2)(f) of the Listing Regulations as amended from time to time, BRSR forms part of this Integrated Annual Report. The BRSR describes initiatives undertaken by the Company from an environmental, social and governance perspective. Further, the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CFD- SEC-2/P/CIR/2023/122 dated July 12, 2023, updated the format of BRSR to incorporate BRSR Core, a subset of BRSR, indicating specific Key Performance Indicators ('KPIs') under nine ESG attributes which are subject to assurance/assessment by an Independent assurance/assessment provider, by top 250 listed entities by market capitalization for FY 2024-25.

For FY 2024-25, the Company has appointed Bureau Veritas India Private Limited as the assurance provider. The BRSR is attached to the Director's Report as Annexure - D.

### INTEGRATED REPORTING

The Integrated Report of the Company is prepared in accordance with the International Integrated Reporting (<IR>) framework published by the Value Reporting Foundation ('VRF') which reflects the integrated thinking of the Company and its approach to its value creation. This information enable the Members to take well-informed decisions and have a better understanding of the Company's long-term perspective. This also includes five forms of capital viz. Financial Capital, Human Capital, Intellectual Capital, Social Capital and Natural Capital. This Integrated Report aims to provide a holistic view of the Company's strategy, governance and performance and how they work together to create value over the short, medium and long term for its stakeholders.

The narrative section of the Integrated Report is guided by the <IR> framework outlined by the International Integrated Reporting Council (IIRC). The Integrated Report is a part of this Annual Report, which provides a clear, concise and comprehensive vision of the Company's business model.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as specified in Regulation 34(2)(e) read with Schedule V of Listing Regulations, with detailed review of the operations, performance and future outlook of the Company and its business forms part of this Annual Report.

### CORPORATE SOCIAL RESPONSIBILITY

Your Company is having duly constituted Corporate Social Responsibility ('CSR') Committee comprised of four (4) members out of which, two (2) are Independent Directors.

The details about CSR Committee, its Terms of Reference, meetings held and attendance of members are provided in the Corporate Governance Report. There have been no instances during the year where recommendations of the CSR Committee were not accepted by the Board.

Your Company has also in place a CSR policy duly approved by the Board of Directors that provides guidelines for conducting its CSR activities and can be accessed at Company's website at [https://www.godeepak.com/wp-content/uploads/2023/11/DNL\\_Corporate-Social-Responsibility-Policy.pdf](https://www.godeepak.com/wp-content/uploads/2023/11/DNL_Corporate-Social-Responsibility-Policy.pdf).

During FY 2024-25, your Company has spent ₹ 11.94 Crores on CSR activities, as against the statutory obligation of ₹ 11.30 Crores towards CSR activities, being 2% of average of the net profits for the preceding three (3) years as per requirement under Section 135(5) of the Act. It can be observed that your Company has spent an excess amount of ₹ 0.64 Crores during FY 2024-25 on the CSR activities undertaken in accordance with the CSR Policy of the Company. This excess amount can be set off against CSR obligation

of succeeding three (3) Financial Years i.e. FY 2025-26, 2026-27 and 2027-28.

Your Company has been undertaking CSR initiatives directly as well as through Deepak Foundation, which is the Group's CSR arm and also through various other benevolent organisations, focusing on social interventions in areas like health, education and livelihood. Over the years, your Company's focus has been in ensuring the overall betterment of communities around its manufacturing facilities and even beyond.

The CSR activities of your Company have made a significant positive impact on society, particularly in the areas of healthcare, education, skills development, environment, sustainability and women's empowerment etc.

Your Company has undertaken several CSR projects which aim to reach to the last mile and cater to the people in need. These initiatives have aided in uplifting the quality of life of communities and has resulted in better living conditions.

Brief about CSR activities undertaken by your Company during FY 2024-25, broadly categorised in areas of Healthcare, Education and livelihood enhancement are as follows:

### Healthcare:

Deepak Medical Foundation ('DMF') Hospital in Nandesari is one of the largest hospitals serving the communities in and around Nandesari for medical care and treatment 24/7 since last 4 decades. DMF started as a mother and child clinic (MCH Unit) and now has evolved into a full-fledged 28 bedded multispecialty hospital. It includes 10 bedded ICU services, 24x7 Casualty, OPD, IPD, and other specialty OPD of Gynaecology and Obstetrics, Paediatrics, Psychiatric, General Surgeon, Dental and round the clock Medical Officer along with the experienced and well-trained nursing staff and para-medical staff. A fully equipped diagnostic and pharmacy centre is also available at the hospital with a very nominal rate keeping into consideration the economic status of the population in the area. It also undertakes outreach and health promotion activities to help promote preventive health behaviour in worker communities in Nandesari Industrial Area.

Mobile Health Units ('MHUs') have ensured provision of healthcare services at people's doorstep covering Primary Healthcare, Adolescent Health, Child Nutrition and Health Awareness counselling. MHUs have improved health of the target population greatly with visible improvements like haemoglobin levels in adolescents through anaemia management, reduced undernutrition in enrolled children, improved hygiene, breastfeeding and safe motherhood practices through thematic sessions.

The Palliative Care Services project has helped the people coming from all over the country for dignified treatment while fighting with serious illness like cancer. The Laboratory and Diagnostic Services at Dahej region have helped the local population in getting diagnosis on time.

Swasthya Sakhi, Women Centric Health Services Project focuses on Women's Reproductive Health, Maternal and Child Health, Nutrition, Preventive Healthcare in Dahej area.

### Education:

The Integrated Child Development Scheme ('ICDS') offers a package of services comprising of supplementary nutrition, immunization, health checkups, referral services, non-formal preschool education, and nutrition and health education. The initiative aims to promote learning in a conducive environment and holistic development of the children. Under the project, various sessions were conducted for parent counselling, health screening, uniform distribution and school readiness assessment. Your Company also completed renovation and digitalisation of five (5) Anganwadi Centres. The Smart Class setup has helped the children in learning digitally and has opened several avenues for students to widen their horizon for modern educational techniques.

Science, Technology, English and Mathematics ('STEM') classes have enabled the students at primary schools to get hands on experience in science and maths subjects and has improved school results. The Remedial Classes helped the children who need special attention while studying in strengthening their base and has helped them in improving their grades and confidence.

The Mobile Library project provides the students an opportunity to venture in the world of literature other than their curriculum which help in improving their cognitive abilities. The program includes making available, age and grade-appropriate library books, reading and learning material to children at their doorsteps, "Read Aloud" storytelling sessions, remedial inputs sessions (Language, mathematics and basic English) along with workbooks practice. The program also includes capacity building of community-based women as Vidya Sathis to support the children not only with their daily schoolwork but also keep their parents updated regarding their child's progress. The Mobile Library Project has improved children's attendance, increased their interest in reading and enhanced foundational literacy and numeracy skills.

Your Company also provide contribution to technology business incubators through Atal Innovation Centre ('AIC') Indian Institute of Science Education and Research ('IISER') Pune SEED Foundation ('AIC-SEED'). AIC-SEED is supported by the Atal Innovation Mission, NITI Aayog, Government of India. AIC-SEED's objective is to stimulate and encourage the growth of deep science-based startup companies by providing an enabling eco-system in an academic and knowledge driven research environment.

## Livelihood improvement:

Project Sangaath aims to empower people by identification of Government Scheme that they are eligible for, helping them obtain 'Pre-Requisite Documents' for enrolment to the identified Government Scheme and facilitate their registration to avail benefits of various government schemes, which they are entitled to. Project Sangaath has impacted the lives of lakhs of underprivileged community members by providing them the benefits of various schemes.

The Project Jal Sanchay Yojana includes water harvesting, micro-irrigation and integrated farming practices with a focus to improve agricultural productivity, ensure water availability and enhance rural livelihoods. The Project on cattle health has benefitted the communities in yielding maximum benefits and has also educated them in maintaining the cattle health.

Your Company also supported SVADES (Society for Village Development in Petrochemicals Area) which is a collective endeavour that binds the industry and rural community together towards effective socioeconomic development in the rural areas of surrounding industries at Nandesari.

The efforts of your Company have immensely influenced the income of the beneficiaries' households and has improved their standard of living.

The Report on Corporate Social Responsibility is annexed as Annexure – E and is also available on the Company's website on [www.godeepak.com](http://www.godeepak.com).

## NOMINATION AND REMUNERATION POLICY

Your Company has adopted a Nomination and Remuneration Policy for the appointment and remuneration of Directors, Key Managerial Personnel and other employees of the Company.

The Nomination and Remuneration Policy includes the criteria for determining qualification, positive attributes, independence of Directors and other matters as required under Section 178(3) of the Act and is annexed as Annexure – F. The Nomination and Remuneration Policy is also available on the Company's website on [www.godeepak.com](http://www.godeepak.com).

## PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') are annexed to this Report as Annexure - G.

The statement containing particulars of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) and 5(3) of the Rules forms part of this Report. However, in accordance with the provisions of the second proviso to Section

136(1) of the Act, the Annual Report is being sent to the Members of the Company excluding the aforesaid statement.

The aforesaid information is available for inspection by the Members upto the date of the 54<sup>th</sup> Annual General Meeting on all working days, except Saturdays and Sundays, during working hours at the Registered Office of the Company. Any Member interested in obtaining such information may write to the Company Secretary at [investor@godeepak.com](mailto:investor@godeepak.com).

## ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act, read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT - 7 for the Financial Year ended March 31, 2025, is available on the Company's website at [www.godeepak.com](http://www.godeepak.com).

The Annual Return shall be filed with the Ministry of Corporate Affairs, within the prescribed timelines.

## CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is committed towards conservation of energy and climate action. The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required to be disclosed pursuant to the provisions of Section 134 of the Act read with the Companies (Accounts) Rules, 2014 are provided in Annexure - H forming part of this Report.

## STATE OF COMPANY'S AFFAIRS

The state of your Company's affairs is given under the heading 'Performance Review' and various other headings in this Report and in the Management Discussion and Analysis, which forms part of the Annual Report.

## SIGNIFICANT OR MATERIAL ORDERS PASSED AGAINST THE COMPANY

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

## SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India, with respect to meetings of Board and its Committees and General Meetings, respectively. The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by The Institute of Company Secretaries of India, as amended and such systems were adequate and operating effectively.

## RESEARCH & DEVELOPMENT

Your Company's innovation infrastructure consists of centralised Research and Development ('R&D') facility, Deepak Research and Development Centre ('DRDC') at Nandesari, Gujarat. DRDC has been approved by the Department of Scientific & Industrial Research, Government of India since 1977 and is ISO certified. It has a dedicated team of 100+ professionals, working on various molecules and chemicals which are under patenting process. Your Company has cumulatively filed around 77 patent applications, and 22 patents have already been granted. Your Company's R&D facility is crucial to its success with its ability to develop advanced intermediates which requires complex chemistry and engineering.

The R&D facility is equipped with the modern instruments and equipment for developing cutting edge technology. The Company's R&D team comprises of highly qualified and experienced team members, who bring in the best practises in the industry.

The R&D remain focussed on:

- New product development
- New technology platform development
- Improvement of productivity as well as yield and quality in existing products
- Improved inhouse data management system.
- Reduction in water, waste, energy etc. and using green technology, wherever possible.

DRDC also houses a state-of-the-art Process Engineering Lab, Kilo lab and Process Intensification Lab, Dedicated environment lab etc. Mentioned setups help in generating scale-up related data for all the products, which are developed in DRDC. The speed of lab scale development is increased with the application of Design of Experiments methodology, using a specialised software for screening as well as optimisation. Literature search platforms like Scifinder, Reaxys etc. are in regular use.

To aid in new technology platforms and continuous process development, your Company has invested in flow reactor, flow meters etc. under Process Engineering Research & Innovation (PERI).

Analytical Team plays a crucial role in supporting synthetic chemistry at every stage of the product/ process development. The team is strengthened by inducting skilled man-power and analytical tools such as Gas Chromatography (GC), Gas chromatography-headspace (GC-HS), Gas Chromatography/Mass Spectrometry (GCMS), High Performance Liquid Chromatography (HPLC), Liquid Chromatography/Mass Spectrometry (LCMS), Ultra Performance Liquid Chromatography (UPLC) and Ion Chromatography (IC), UV, IR etc. Analytical lab also takes help from third party analytical labs

for generating data (like PSD, S-analysis, NMR etc.) for which DRDC currently does not have the facilities.

Inhouse environment lab dedicated for developing waste treatment methodology for new process and products as well as explore waste valorization opportunities to promote sustainable practice and minimise environmental impacts.

### Process Safety Activities

DRDC has a dedicated process safety team, which analyses the chemical processes for their safe operations based on in-house Accelerated Reaction Calorimeter (ARC), Differential Scanning Calorimeter (DSC), Reaction Calorimeter with gas evolution analysis (RC). Also, the team takes help from third party labs for other safety data generation e.g. powder safety data.

### Technology

Your Company's R&D team is working on various new technology platform developments such as Fluorination and Photo Chlorination chemistries, high pressure Oxidation Reactions (both chemical and catalytic) and Gas Solid Reactions, Plug flow reactions, NOx reactions etc. A pilot facility for Vapor Phase Process has also been installed.

Lab scale Continuous Stirred Tank Reactor (CSTR) set-ups are used for converting batch mode reactions into continuous mode to achieve better yield, quality, better throughput, reduction in the cost of operations, along with increasing the safety norms of the process. Lab scale parallel synthesizer for fast screening of process parameters to speedup process development activity. Mini pilot scale equipment like centrifuge, nudge filter, pilodist for generating distillation data as well as parallel pressure reactor set of special MOC for catalyst screening are in regular use.

### State-of-the-art pilot plants

Your Company is having two state-of-the-art pilot facilities, one each at Roha, Maharashtra and Nandesari, Gujarat. The pilot plants act as link between R&D and commercial production of various intermediates used in Agrochemicals, Dyes, Pharmaceuticals etc., thereby allowing your Company to deliver quality products seamlessly. The pilot facility boasts of stainless steel and glass lined reactors along with distillation columns, handling systems for gas and liquid raw materials. The pilot facilities are fully-equipped with advanced instruments, Distributed Control system (DCS) and utilities like brine, low pressure steam, cooling water, – etc.

### Development of idea to plant process (ITP)

The Technical Organisation is responsible for generating ideas, developing sustainable processes and moving them to commercial production. The team conducts critical review of the process from idea generation to technical development to production (ITP process). The activities are mapped, and relevant documents are formalised. The ITP project is targeted to finalize the technical

process, the infrastructure required and supporting documents. This also include in-depth safety analysis reports for the chemicals and the processes.

The overall ITP process flow includes:

- Idea collection and assessment of right-to-win.
- Responsible team identification
- Responsibility matrix assignment
- R&D process to finalize the route of synthesis and/or processes
- Process optimization
- Technology transfer including Basic Engineering Package (BEP) and all relevant documents (LDR, TTR1 and TD).
- Developed inhouse revised version of digital archive to enable more secure data management of ongoing process development and technology transfer document.
- A highly secure web-based suite of tools has been deployed to manage all data of ITP. The system stores data in a structured format making it searchable. It also prevents knowledge loss while controlling information flow.

### Benefits of ideas to plant trials

- Documentation of the Lab Records are all digitized and in the on-line mode.
  - Specific formats designed to extract data/information.
  - Reports and presentations are created by the system through aggregation.
  - Ensures data integrity, data security and data traceability.
  - Helps in significant reduction of time spent by scientists in making reports for reviews.
- Making fortnightly reports which reduce the time of technical reviews.
- Complete audit trail and traceability.

### Training of technical team

Workshops on process safety and scale up, DoE, ASPEN, Flow Chemistry etc. were organised. The participants came from cross functional teams across Deepak. These workshops introduced the salient feature of the process scale-up and process safety enhancing the competency of participants.

### NEW R&D CENTRE AT SAVLI, VADODARA

Your Company is also building a new state-of-the-art Research & Development Centre in Savli, Vadodara. The new R&D centre is expected to be operational soon.

### SAFETY, HEALTH & ENVIRONMENT (SHE) COMMITMENT

Your Company is deeply committed in ensuring Safety, Health, and Environment (SHE) across all its manufacturing processes, products and services. This commitment begins at the conceptualization stage, where efforts are made to incorporate safer process technologies, optimized unit operations and sustainable systems into design and planning.

To uphold this commitment, your Company continues to invest in key areas that benefit all stakeholders. These include process automation to improve safety and reduce the potential for human error, along with extensive training programs focused on both process safety and behavior-based safety practices. Environmentally responsible and safe production methods are being actively implemented across operations.

Further, substantial upgrades are being carried out in effluent treatment infrastructure, such as the installation of Reverse Osmosis (RO) plants and Multiple Effect Evaporators (MEE), to significantly reduce effluent discharge. Your Company is also commissioning Waste Heat Recovery Systems to promote the reduction, recovery, and reuse of effluents and utilities, reinforcing its commitment to sustainability and responsible manufacturing.

A robust, well-documented scale-up protocol governs product development—from R&D to pilot and commercial scale—incorporating rigorous risk assessments and process safety evaluations at every stage. DNL's in-house R&D capabilities include advanced thermal hazard screening tools such as RC (Reaction Calorimetry), DSC (Differential Scanning Calorimetry), and ARC (Accelerating Rate Calorimetry).

Your Company aligns its policies and systems with globally recognized frameworks, including the United Nations Global Compact, ILO (The International Labour Organization) Conventions, and the Responsible Care Initiative. It actively promotes social compliance in areas such as human rights, labor standards, anti-discrimination, conflict of interest and anti-corruption.

Health and safety are central to the Company's ethos, with a firm belief that all injuries, occupational illnesses and environmental incidents are preventable. This philosophy fosters a culture of safety excellence, encouraging employees, contractors, customers and communities to prioritize personal and collective safety.

A structured incident reporting mechanism is in place, where all events—including near misses—are recorded in the Safety Management Information System (MIS). Corrective and preventive actions are tracked via internally developed software and each incident is thoroughly investigated by cross-functional teams to identify root causes and implement safeguards. All technological changes undergo rigorous safety evaluations such as Facility Siting, HAZOP, and Quantitative Risk Assessments and are approved



through a formal Management of Change process, including pre-startup safety reviews.

Your Company continues to strengthen its Process Safety Management and workplace safety through active employee engagement and continuous improvement initiatives. With a vision of “Zero Incident”, Deepak has undertaken a comprehensive safety transformation journey. An external safety diagnostic assessment provided valuable insights, enabling leadership to define a strategic roadmap for system, process, and cultural enhancements.

All manufacturing units and the Registered & Corporate Office are certified to ISO 9001, ISO 14001 and ISO 45001 standards and proudly bear the Responsible Care Logo. Regular safety awareness programs are conducted across sites to drive improvements in process safety, workplace safety and behavioral transformation. A formal recognition system rewards individuals and sites for exemplary safety performance, with 100% employee participation in safety initiatives.

At DNL, a strong Occupational Health and Safety (OHS) governance framework is led by the Corporate Safety team, supported by dedicated site-level teams. The Company’s HSE Policy serves as a guiding document for all safety practices and is communicated to employees, contractors, customers, communities, and business partners.

### Logistics Safety Management System

In collaboration with industry peers, your Company has pioneered the establishment of Nicer Globe, an independent platform designed to ensure the safe transportation of hazardous materials across India. This system enables real-time GPS tracking, allowing for continuous monitoring of vehicle speed, route adherence, and driving time compliance. By proactively identifying and addressing deviations, the platform significantly reduces transport-related risks. The movement of raw materials and finished products is managed within a robust supply chain framework, ensuring the safety of customers, carriers, suppliers, distributors, and contractors.

### Environmental Stewardship

Your Company’s dedication to environmental protection extends well beyond mere compliance with regulatory obligations. By adopting the chemical industry’s Responsible Care framework, the Company has embedded core principles that are fully aligned with the United Nations Sustainable Development Goals (UN SDGs). A range of initiatives have been implemented to conserve natural resources, lower energy usage, encourage recycling and reuse, and minimize pollution across operations.

Ongoing efforts are focused on reducing the overall environmental footprint through continuous improvement and innovation. The Company actively seeks out sustainable solutions that not only

enhance operational efficiency but also contribute positively to environmental well-being.

## Key Safety initiatives implemented

### 1. “PARIVARTAN”- Safety Management System

In alignment with our continued commitment to ensuring a safe and resilient workplace, Deepak Nitrite Limited proudly launched our structured Safety Management System (SMS) named “PARIVARTAN” in FY 2024–25. “Parivartan,” meaning “transformation,” symbolizes our shift toward a more systematic, proactive, and behaviour-driven safety culture across all levels of the organization.

This system marks a major milestone in strengthening our occupational health and safety (OHS) & Process Safety Management (PSM) framework and aligns with industry best practices and regulatory standards.

### 2. Enhanced training programs

As part of the “PARIVARTAN” Safety Management System, we launched a structured **Train-the-Trainer (TTT) Program** aimed at developing in-house safety champions and enabling consistent safety knowledge transfer across all levels of the organization.

The program is designed to empower selected employees and frontline supervisors with the knowledge, tools, and facilitation skills necessary to deliver high-impact safety training to their peers, contractors, and new joiners.

The program covered critical topics such as Permit to Work, Contractor safety management, Incident investigation and other essential safety practices.

Other than this, series of mandatory safety training programs for all employees and contractors e.g. hazard identification, emergency preparedness, first aid, BBS training etc. conducted.

### 3. Next-Gen Safety Systems

DNL introduced AI-driven safety systems to strengthen real-time risk detection and operational oversight on the shop floor.

#### Key highlights include:

- AI-enabled cameras deployed across critical zones to automatically detect PPE violations such as missing helmets, gloves, or goggles.
- Early fire and smoke detection through image recognition, allowing instant alerts and rapid response.

- Real-time monitoring screens installed at strategic locations to ensure immediate visibility and corrective action by the safety team.

Also, we have enhanced process safety through increased automation across key operational processes. Automation has reduced manual intervention in high-risk activities, minimized human error, and improved consistency in safety-critical operations. These improvements contribute significantly to risk mitigation, equipment reliability, and overall operational safety.

#### 4. Improving firefighting systems

We have continued to strengthen our fire safety infrastructure by investing in advanced and comprehensive firefighting systems across critical operational areas. This includes enhancements to fire detection, suppression-sprinkler systems, and response mechanisms tailored to site-specific risks. These upgrades reflect our ongoing commitment to minimizing fire hazards, safeguarding our workforce and assets, and adhering to stringent industrial safety standards.

### HUMAN RESOURCES

During FY 2024-25, your Company continued to strengthen Company's Human Resources strategy by driving talent development, organizational agility, employee well-being, and industrial harmony across all business locations. This has an objective of ensuring strong, skilful & trained workforce availability for the Company all the time. Your Company remained committed to attracting high-quality talent by hiring Graduate Engineer Trainees from reputed Tier-1, Tier-2, and Tier-3 engineering institutions. Over 100 employees were upskilled in advanced and emerging technologies relevant to the chemical and engineering domains. Capability enhancement initiatives included targeted workshops, technical certifications, and leadership development forums aimed at equipping employees for tomorrow's challenges.

During FY 2024-25, recognising the significance of identifying high-potential employees to ensure a robust talent pipeline, the Company carried out compensation benchmark study through a renowned agency to identify market correction needs of high potential performing teams for their retention and career development. The Company's Human Resources initiatives and engagement activities have enabled the Company not only to sail through the challenging times, witnessed recently, but has helped the Company in attracting, developing, nurturing & retaining right talent and keeping them motivated. Employee touch points and communication was kept live through Virtual Town Halls Wherein Executive Director & CEO, Director (Finance) & Group CFO addressed all the employees thereby established a strong sense of bonding between the Company's management and employees.

During FY 2024-25, your Company also witnessed the rollout of "Deepak Cares" a 24x7 well-being support platform in collaboration with a specialist partner. This initiative offers holistic counselling services to employees and their families, covering mental health, legal, financial, personal, and career-related support.

The Company has a dedicated Diversity Equity and Inclusion Policy to encourage inclusive work environment where members from diverse backgrounds can grow together and thrive. In order to enhance employee experience, transactional activities of HR have been automated through leverage on technology and outsourcing to subject matter experts, which has brought more efficiency in the HR processes. Your Company has also conducted employee engagement survey through renowned third party for understanding the pulse and sentiments of the employees.

### INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured against risk of fire and other risks. Your Company has in place Directors' and Officers' Liability Insurance (D&O) for all its Directors (including Independent Directors) and members of the Senior Management Team for such quantum and risks as determined by the Board in line with the requirement of Regulation 25(10) of the Listing Regulations.

### CYBER SECURITY

In view of the increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in line with the threat scenarios. The Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

#### Enhanced Threat Detection & Response

- Deployed AI-driven SIEM (Security Information and Event Management) for real-time threat monitoring.
- Upgraded Endpoint Detection and Response (EDR) solutions to combat ransomware & zero-day attacks.
- Conducted VAPT to identify vulnerabilities in critical systems.
- Introduced Red-Teaming for proactive, adversarial simulation exercise

#### Data Protection & Privacy Compliance

- Implementation of ISO 27001:2022 certification is in progress for information security management.

#### Multi-Factor Authentication (MFA) & Zero Trust

- Adopted Zero Trust Architecture (ZTA) to minimize insider threats.

### Employee Awareness & Training

- Conducted cybersecurity workshops for staff.
- Ran simulated phishing campaigns to improve threat awareness.

### Cloud & Infrastructure Security

- Implemented automated security patching for all servers and endpoints.
- Partnered with leading MSSPs (Managed Security Service Providers) for 24/7 SOC monitoring.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in Cyber Security.

### DISCLOSURE AS REQUIRED UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has adopted zero tolerance for sexual harassment at the workplace and has a policy as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') for prevention and redressal of complaints of sexual harassment at workplace. To build awareness in this regard, your Company has been conducting various training sessions online and offline on a continuous basis for employees of the Company.

A duly constituted Internal Committee ('IC') is also in place for its various locations to redress complaints on sexual harassment. The IC is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines.

The details of complaints relating to sexual harassment at workplace during the year ended March 31, 2025 are provided as under:

- Number of complaints of sexual harassment received during the year: Nil
- Number of complaints disposed-off during the year: Nil
- Number of cases pending for more than ninety days: Nil

### DISCLOSURE UNDER MATERNITY BENEFITS ACT, 1961

The Company complies with the provisions of the Maternity Benefits Act, 1961, ensuring that eligible women employees receive their statutory entitlements. These benefits reflect your Company's commitment in creating a compliant, inclusive and supportive workplace that prioritizes the health and well-being of expecting and new mothers.

### GREEN INITIATIVES

Climate change is a critical global challenge, deeply intertwined with human activities and industrial operations. Recognizing

its responsibility, your Company is committed to mitigate its environmental impact by setting ambitious targets to reduce greenhouse gas (GHG) emissions and enhancing business resilience across its operations, value chain, and surrounding communities.

### Sustainable Energy & Emission Reduction Initiatives

your Company has implemented multi-faceted strategies to minimize GHG emissions and transition towards a more sustainable future. Key initiatives include:

- Expanding the use of renewable energy to reduce dependency on fossil fuels.
- Deploying advanced energy-efficient technologies to optimize resource consumption.
- Leveraging AI-driven solutions to enhance operational efficiency and achieve sustained energy savings.
- Environmental Protection & Waste Management.

Your Company has taken significant steps to reinforce environmental protection and waste management, including:

Online Continuous Emission Monitoring System (OCEMS): Installed for real-time air quality monitoring and emission control.

Waste-to-Biofertilizer Conversion: Canteen waste is processed into biofertilizer, supporting green belt development.

Sustainable Waste Utilization: Trials are underway to use Effluent Treatment Plant (ETP) sludge and agro waste as alternative boiler fuels, reducing coal consumption and improving waste management practices.

### Large-Scale Reforestation & Community Engagement

As part of its broader sustainability initiatives, your Company has partnered with the Forest Department for an extensive tree plantation drive in Village Shelavali, Taluka Shahapur, District Thane, Maharashtra.

Over 55,000 native trees have been planted across 50 hectares, contributing to:

- Carbon sequestration and climate mitigation.
- Biodiversity conservation and habitat restoration.
- Improved air quality, soil erosion control and enhanced water retention.
- Generating local employment opportunities and strengthens afforestation efforts in the region.

### 'Go Green' Initiative & Paperless Communication

In alignment with Section 20 of the Act and its commitment to environmental sustainability, your Company has adopted paperless communication practices. As part of this initiative, copies of the Notice for the 54<sup>th</sup> Annual General Meeting and the Integrated

Annual Report for FY 2024-25 are being sent to all registered members and others through electronic mode only.

This transition to digital communication reflects DNL's commitment to the 'Go Green' initiative and its ongoing efforts to minimize its ecological footprint.

## INDUSTRIAL RELATIONS

During FY 2024-25 industrial relations across the Company in multiple demographics remains harmonious and issues, if any, were discussed and resolved by bilateral dialogues and zero man-days were lost. Wage settlement at Roha location for 4 years signed successfully through bilateral discussions. At Hyderabad, production incentive settlement was done successfully. To bring operational efficiency third party manpower and process study was conducted and its findings were implemented at Hyderabad manufacturing facilities.

## GENERAL DISCLOSURES

The Board of Directors state that during the year ended March 31, 2025:

- No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company and or its operations in future;
- No proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016;
- The requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;

- No shares with differential voting rights and sweat equity shares have been issued;
- No public deposits as defined under Chapter V of the Act have been accepted by the Company;
- No change in the nature of business of the Company.

## ACKNOWLEDGEMENT

The Board express their deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

The Directors also appreciate support and co-operation the Company has received from its Suppliers, Customers, Distributors, Company has received from its suppliers, distributors.

The Directors also take this opportunity to thank all shareholders, government and regulatory authorities and stock exchanges for their continued support.

**For and on behalf of the Board**

**Deepak C. Mehta**

(DIN:00028377)

Chairman & Managing Director

Place: Vadodara  
Date: May 28, 2025

# Annexure-A

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### For the Financial Year ended March 31, 2025

[Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,**  
**The Members,**  
**Deepak Nitrite Limited,**  
**2<sup>nd</sup> Floor, Fermenter House, Alembic City,**  
**Alembic Avenue Road, Gorwa,**  
**Vadodara, Gujarat 390003**

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and adherence to good corporate practices by **Deepak Nitrite Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2025, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and Rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018: No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: No events occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993: No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: No event occurred during the period under review which attracted provisions of these Regulations. Hence, not applicable.
- vi. Other laws as applicable specifically to the Company:
  - a) The Environment (Protection) Act, 1986;
  - b) The Water (Prevention & Control of Pollution) Act, 1974;
  - c) The Air (Prevention & Control of Pollution) Act, 1981;



- d) Public Liability Insurance Act, 1991;
- e) Explosives Act, 1884;
- f) Hazardous Wastes (Management, Handling, and Trans-Boundary Movement) Rules, 2008;
- g) Petroleum Act, 1934 and Rules made thereunder;

We have also examined compliance with applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the review period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except two form of IEPF, which was filed with additional fees, due to the technical issues in Ministry of Corporate Affairs website while transfer from the Ministry of Corporate Affairs old web portal (V2) to new Web portal (V3). The Company has complied with the Secretarial Standards in general.

#### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one Woman Independent Director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on Agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications by Directors on the Agenda items before the meeting and for meaningful participation at the meeting:

All the decisions in the Board meetings were carried through majority while there were no dissenting members' views and hence, not captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**We further report that** during the period under review, the Company does not have any event having a major bearing on its affairs in pursuance of the above-mentioned Laws, Rules, Regulations, Guidelines, Standards except the following, for which necessary approvals were obtained:

- a) The acquisition of 10,000 Equity Shares of ₹ 10/- (Rupees Ten only) each i.e. 100% paid up Equity Share Capital of OXOC Chemicals Limited. Subsequently, the name of OXOC Chemicals Limited was changed to Deepak Advanced Materials Limited with effect from November 18, 2024 and the intimation to this effect was made to BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') on November 19, 2024.
- b) Approval of Members of the Company has been obtained by way of Postal Ballot through e-Voting conducted from Thursday, March 21, 2024 at 9.00 a.m. (IST) till Friday, April 19, 2024 at 5:00 p.m. (IST) for adoption of Deepak Nitrite Limited Employee Stock Option Scheme 2024, for grant of options to the eligible employees of Deepak Nitrite Limited and group company (including subsidiaries and associate companies) of Deepak Nitrite Limited under the said Scheme.
- c) A Share Purchase Agreement entered on May 31, 2024 between Deepak Chem Tech Limited ('DCTL'), Wholly Owned Subsidiary of the Company with the Shareholders of Narmada Thermal Power Private Limited ('NTPPL') to acquire 1,49,10,070 Equity Shares of ₹ 10/- each of NTPPL, representing 100% paid up Equity Share Capital of NTPPL and an intimation was made to BSE & NSE on the same day i.e. May 31, 2024 within 24 hours of the occurrence of event.
- d) Approval of the Members has been obtained by way of Ordinary Resolution for declaration of Dividend of ₹ 7.50 (Rupees Seven and Paise Fifty Only), being 375%, per Equity Share of face value of ₹ 2.00 (Rupees Two Only) each for the Financial Year ended March 31, 2024 in 53<sup>rd</sup> Annual General Meeting of the Company held on August 6, 2024.
- e) Approval of the Board of Directors has been obtained for granting of loan upto ₹ 5,00,00,000/- (Rupees Five Crores Only) to Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company.
- f) The Company has made disclosure regarding execution of Deed of Guarantee in favor of Export Import Bank of India for securing credit facility to be availed by Deepak Oman Industries (SFZ) LLC, subsidiary of the Company on October 23, 2024. The Deed was executed on October 23, 2024 and the disclosures made to BSE and NSE on the same day i.e. October 23, 2024.
- g) The Company has received two orders passed by the Collector and Additional Superintendent of Stamps, Gujarat, under the Gujarat Stamp Act, 1958, imposing penalty of ₹ 50,000/- against Deepak PMC Limited and ₹ 2,00,000/- against Deepak Chem Tech Limited, Wholly Owned Subsidiaries of the Company. The orders were received on October 17, 2024 and the Company has made necessary disclosures to BSE and NSE on the same day i.e. October 17, 2024.

- h) Shri Puneet Sharma was designated as Business Head - Fine & Speciality Chemicals of the Company on October 1, 2024, and the Company has made disclosures to BSE and NSE on the same day.
- i) The Company has made necessary disclosures regarding approval granted by the Board of Directors of Deepak Chem Tech Limited, a material subsidiary of the Company to invest around ₹ 5,000 Crores in the Project for manufacturing Polycarbonate Resins. The Project was approved on November 13, 2024 and disclosures were made to both the Stock Exchanges on the same day.
- j) Resignation of Shri Malay Kumar as Group Head - Projects of the Company with effect from November 15, 2024 and the Company has made necessary disclosures on the same day i.e. November 15, 2024 to both the Stock Exchanges i.e. BSE and NSE.
- k) Approval of the Board of Directors of the Company has been obtained at their meeting held on November 13, 2024 for infusion of additional funds aggregating to ₹ 200,00,00,000 (Rupees Two Hundred Crores Only) in Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company, by way of subscription of Equity Shares or Preference Shares or any other instruments including granting of Loan.
- l) An interim order passed by the Regional Director, Ahmedabad dated December 16, 2024, was received against Narmada Thermal Power Private Limited regarding defaults pertaining to periods prior to acquisition of Narmada Thermal Power Private Limited by Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company and the Company has made necessary disclosures on December 17, 2024 to BSE as well as NSE i.e. within 24 hours from occurrence of event.
- m) The execution of Definitive Agreement between Deepak Phenolics Limited, a Wholly Owned Subsidiary of the Company and Petronet LNG Limited as a part of continual disclosure requirement to BSE and NSE which was executed on February 6, 2025 and the disclosure was made by the Company on the same day i.e. February 6, 2025.
- n) Approval of the Board of Directors of the Company has been obtained at their Meeting held on February 13, 2025 for further investment upto ₹ 75,00,00,000 (Rupees Seventy Five Crores Only) in one or more tranches in Deepak Advanced Materials Limited, a Wholly Owned Subsidiary of the Company.
- o) Subscription of 3,83,50,000 Optionally Convertible Redeemable Preference Shares of ₹ 100/- each of Deepak Chem Tech Limited, a Wholly Owned Subsidiary of the Company during the year under Report.

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

**Dinesh Joshi**

Designated Partner

Membership No.: F3752

CP No.: 2246

UDIN: F003752G000476941

Peer Review Certificate No.: 6309/2024

Date: May 28, 2025

Place: Pune

This Report is to be read with our letter of even date which is annexed as Appendix A and forms part of this Report.

**To,  
The Members,  
Deepak Nitrite Limited,  
2<sup>nd</sup> Floor, Fermenter House, Alembic City,  
Alembic Avenue Road, Gorwa,  
Vadodara, Gujarat 390003**

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. We have not verified the correctness and appropriateness of the Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of 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: F003752G000476941

Peer Review Certificate No.: 6309/2024

Date: May 28, 2025  
Place: Pune

## Annexure-B

### Secretarial Audit Report for the Financial Year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,  
The Members,  
Deepak Phenolics Limited  
4<sup>th</sup> Floor, Fermenter House, Alembic City,  
Alembic Avenue Road,  
Vadodara – 390003,  
Gujarat, India.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Deepak Phenolics Limited ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, ("review period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

- i. The Companies Act, 2013 ("Act") and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ("SEBI") Act, 1992:
  - a. SEBI (Depositories and Participants) Regulations, 2018, to the extent applicable;
  - b. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client, to the extent applicable; and
  - c. The other Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, are not applicable to the Company being an Unlisted Public Company.
- vi. Other sector specific laws as follows:
  - a. Explosive Act, 1884
  - b. Petroleum Act, 1934
  - c. Chemical Weapons Convention Act, 2000
  - d. Boilers Act, 1923

We have also examined compliance with all the applicable clauses / regulations of the following: -

- i. Secretarial Standards ('Standards') issued by The Institute of Company Secretaries of India; and
- ii. Being an Unlisted Public Company, Clauses/ Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, etc. as mentioned above, and is generally compliant with the clauses of Secretarial Standards.

#### We further report that:

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

- B. Adequate notice is given to all the Directors to schedule the Board meetings. Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for Director to seek and obtain further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. The adequate systems and processes devised in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliances with all the applicable Laws, Rules, Regulations and Guidelines;
- E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc., having a major bearing on the Company's affairs.

**Samdani Shah & Kabra**

Company Secretaries

**S. Samdani**

Partner

FCS No. 3677; CP No. 2863

ICSI PR# 1079/2021

ICSI Unique Code: P2008GJ016300

UDIN:F003677G000381131

Date: May 20, 2025

Place: Vadodara

This Report is to be read with our letter of even date which is annexed as Appendix A and forms part of this Report.



## Appendix A

**To,  
The Members,  
Deepak Phenolics Limited  
4<sup>th</sup> Floor, Fermenter House, Alembic City,  
Alembic Avenue Road,  
Vadodara – 390003,  
Gujarat, India.**

Our Secretarial Audit Report of even date is to be read along with this letter, that:

- i. Maintenance of Secretarial Records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these Secretarial Records and compliances, based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representations about the compliance of Laws, Rules, Regulations and happening of events etc.
- iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the Company's affairs.

**Samdani Shah & Kabra**

Company Secretaries

**S. Samdani**

Partner

FCS No. 3677; CP No. 2863

ICSI PR# 1079/2021

ICSI Unique Code: P2008GJ016300

UDIN: F003677G000381131

Date: May 20, 2025

Place: Vadodara

# Annexure-C

## Secretarial Audit Report for the Financial Year ended March 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**The Members,  
Deepak Chem Tech Limited  
1<sup>st</sup> Floor, Fermenter House,  
Alembic City, Alembic Avenue Road,  
Vadodara – 390003,  
Gujarat, India.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deepak Chem Tech Limited** ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2025, ("review period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

- i. The Companies Act, 2013 ("Act") and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ("SEBI") Act, 1992:
  - a. SEBI (Depositories and Participants) Regulations, 2018, to the extent applicable;
  - b. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client, to the extent applicable; and
  - c. The other Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, are not applicable to the Company being an Unlisted Public Company.
- vi. Other sector specific laws as follows:
  - a. The Environment (Protection) Act, 1986
  - b. Public Liability Insurance Act, 1991
  - c. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
  - d. Petroleum Act, 1934 and the Rules made thereunder
  - e. The Indian Boilers Act, 1923

We have also examined compliance with all the applicable clauses / regulations of the following: -

- i. Secretarial Standards ("Standards") issued by The Institute of Company Secretaries of India; and
- ii. Being an Unlisted Public Company, Clauses / Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, etc. as mentioned above, and is generally compliant with the clauses of Secretarial Standards.

### We further report that:

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during

the review period were carried out in compliance with the provisions of the Act;

- B. Adequate notice is given to all the Directors to schedule the Board meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for Director to seek and obtain further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes devised in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliances with all the applicable Laws, Rules, Regulations and Guidelines;

- E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc., having a major bearing on the Company's affairs.

**Samdani Shah & Kabra**

Company Secretaries

**S. Samdani**

Partner

FCS No. 3677; CP No. 2863

ICSI PR# 1079/2021

Date: May 27, 2025

Place: Vadodara

ICSI Unique Code: P2008GJ016300

UDIN: F003677G000381131

This Report is to be read with our letter of even date which is annexed as Appendix A and forms part of this report.

## Appendix A

**The Members,  
Deepak Chem Tech Limited  
1<sup>st</sup> Floor, Fermenter House,  
Alembic City, Alembic Avenue Road,  
Vadodara – 390003,  
Gujarat, India.**

Our Secretarial Audit Report of even date is to be read along with this letter, that:

- i. Maintenance of Secretarial Records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these Secretarial Records and compliances, based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representations about the compliance of Laws, Rules, Regulations and happening of events etc.
- iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the Company's affairs.

**Samdani Shah & Kabra**  
Company Secretaries

**S. Samdani**  
Partner

FCS No. 3677; CP No. 2863

ICSI PR# 1079/2021

ICSI Unique Code: P2008GJ016300

UDIN: F003677G000381131

Date: May 27, 2025

Place: Vadodara