39th Annual Report
2023-24

HARYANA
LEATHER CHEMICALS LTD.

INNOVATE . EXCEL . DELIVER VALUE

an Italian joint venture with

capsira chemicals and polymers

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HARYANA
LEATHER CHEMICALS LTD.

CONTENTS	Page No.
Management	02
Contacts	04
Notice	05-20
Director's Report	21-33
Management Discussion & Analysis Report	34-37
Secretarial Compliance Report	38-43
Secretarial Audit Report	44-63
Report on Corporate Governance	64-84
Independent Auditors' Report	85-95
Balance Sheet & its Annexure	96-110
Notes to Accounts	111-123
Route Map	124
Proxy Form & Attendance Slip	125-127

HARYANA LEATHER CHEMICALS LIMITED

BOARD OF DIRECTORS

Narendra Kumar Jain ----Chairman

Pankaj Jain-------Vice Chairman - Cum - Managing Director

Vijay Kumar Garg

Kanishk Gupta

Pradeep Behl

Dot. Massimo Medini

Marco Medini

Sippy Jain

Dr. K.S.V. Menon -------Deceased on 05.04.2024

Chinar Goel----------Appointed on 09.08.2024

Ritu Atri---------- Appointed on 28.08.2024

Pradeep K. Verma-------Appointed on 28.08.2024

CORPORATE OFFICE

1405-B, Signature Towers, South City- I, Gurugram- 122001, Haryana

REGISTERED OFFICE AND WORKS

72-77, HSIIDC Industrial Estate, Hansi Road, Jind-126102 (Haryana)

COMPANY SECRETARY

Silu Nanda (Mrs.)

AUDITORS

S. C. Dewan & Co. Panchkula, Haryana

CORPORATE EXECUTIVES

Sukanto Choudhury, Chief Financial Officer

Dr. M.P. Singh, General Manager - Production

Deepak Raj, General Manager- Production

REGISTRAR & SHARE TRANSFER AGENTS

RCMC Share Registry (P) Ltd.

B-25/1, First Floor, Okhla Industrial Area, Phase - II, New Delhi - 110020

Phones: 011-26387320, 26387323

Fax: 011-26387322.

BANKERS

ICICI BANK LTD.

SAKET WEALTH BRANCH

E-30, OPP. ANUPAM PVR,

SAKET, NEW DELHI – 110 017

ISIN FOR DEMAT PURPOSE: INE681F01018

CIN: L74999HR1985PLC019905

Script Code: 524080

NOTICE

Notice is hereby given that the Thirty Ninth (39th) Annual General Meeting of the Members of the Company M/s Haryana Leather Chemicals Limited will be held on Saturday, the 28th day of September, 2024 at 12.30 p.m. at the Registered office of the Company at 72-77, HSIIDC Industrial Estate, Hansi Road, Jind-126102 Haryana to transact with or without modification(s), as may be permissible, the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet of the Company as on 31st March 2024 and the Statement of Profit & Loss for the year ended as on that date together with the Reports of Auditor's and Director's thereon.
To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT the Audited Financial Statement of the Company for the year ended March 31, 2024 including Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and Cash flow statement for the year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors of the Company thereon, as circulated to the members and presented to the meeting be are hereby adopted."

2. To declare a Dividend of Rs. 1/- (10%) per Equity Share of Rs. 10/- each fully paid up for the Financial Year ended 31st March, 2024.

3. To consider appointing a Director in place of Mr. N. K. Jain (DIN: 00486730), who retires by rotation and being eligible, offers himself for re-appointment.

To consider passing the following resolution as an ordinary resolution:
"RESOLVED THAT pursuant to section 152(6) of the Companies Act, 2013, Mr. N. K. Jain (DIN: 00486730), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.

SPECIAL BUSINESSES:

4. RE-APPOINTMENT AND CONTINUATION OF MR. CHINAR GOEL (DIN:07610985) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:
   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 the Rules framed there under read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(1A) and other applicable provisions of the LODR and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Chinar Goel (DIN:07610985), who was appointed as an Independent Director in the Board meeting held on 09.08.2024 to be appointed as Independent Non-Executive Director in the Company subject to shareholders approval in the Annual General Meeting and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company for 09.08.2024 to 08.08.2029 (both days inclusive). He shall not be liable to retire by rotation.

5. RE-APPOINTMENT AND CONTINUATION OF KANISHK GUPTA (DIN:02243899) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 the Rules framed there under read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(1A) and other applicable provisions of the LODR and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Kanishk Gupta (DIN:02243899), who was appointed as an Independent Director for consecutive term of five years up to the year 2024 by the shareholders and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company subject to shareholders approval in the Annual General Meeting for a further term of five years w.e.f. 29.09.2024 till 28.09.2029. He shall not be liable to retire by rotation.

6. RE-APPOINTMENT AND CONTINUATION OF RITU ATRI (DIN:09596000) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 the Rules framed there under read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(1A) and other applicable provisions of the LODR and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Ritu Atri (DIN:09596000), who was appointed as an Independent Director in the Board meeting held on 28.08.2024 to be appointed as Independent Non-Executive in the Company subject to shareholders approval in the Annual General Meeting and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company for 28.08.2024 to 27.08.2029 (both days inclusive). She shall not be liable to retire by rotation.

7. RE-APPOINTMENT AND CONTINUATION OF PRADEEP KUMAR VERMA (DIN:10749814) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 the Rules framed there under read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(1A) and other applicable provisions of the LODR and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Pradeep Kumar Verma, who was appointed as an Independent Director in the Board meeting held on 28.08.2024 to be appointed as Independent Non-Executive in the Company subject to shareholders approval in the Annual General Meeting and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company for a term of five years with effect

from 28.08.2024 to 27.08.2029 (both days inclusive). He shall not be liable to retire by rotation.

Regd. Office: 72-77, HSIIDC Industrial Estate,
Hansi Road, Jind-126102, Haryana

By order of the Board
of Directors of
Haryana Leather Chemicals Ltd.

CIN: L74999HR1985PLC019905
Dated: 28th August, 2024
E-mail: Info@leatherchem.com
Website: www.leatherchem.com

SILU NANDA
Company Secretary

Notes:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts concerning the business under items 4 to 7, is annexed and forms an integral part of the notice.
2. Any Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend the said meeting and vote on her/his behalf, and the proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Pursuant to Section 105 (1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. In the case of a Member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
   Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. Members/Proxy holders are requested to bring at the venue of Annual General Meeting their attendance slip duly signed so as to avoid inconvenience.
5. The Company's Registrar and Share Transfer Agent ("RTA") for its Share Registry Work (Physical and Electronic) are M/s RCMC Share Registry Private Limited having their office at B-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi-110020.
6. The dividend, if declared at the Annual General Meeting, would be paid subject to deduction of tax at source on or after 29TH day of September, 2024 to those shareholders or their mandates:

   (a) Whose names appear as Beneficial Owners as at the end of the business hours on 20TH day of September, 2024 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

   (b) Whose names appear as Members in the Register of Members of the Company after giving effect to valid request(s) received for transmission / transposition of shares lodged with the Company / its Registrar and Share Transfer Agent on or before 20th day of September, 2024.

7. Attendance slip, proxy form and route map of the venue of the meeting are annexed hereto.
8. Brief information of Directors, names of the Companies in which they hold Directorship and membership/ Chairmanship of Board Committees, Shareholdings and relationships between Directors as stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), with the Stock Exchange are provided in the Corporate Governance Report forming part of the Annual report.
9. Members are requested to bring their attendance slip along with their copy of Annual report to the meeting. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday the 21.09.2024 to Saturday the 28.09.2024 (both days inclusive) to comply with the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations , 2015.
11. Members holding shares in the electronic form must send the advice about any change in their registered address or Bank particulars to their respective Depository Participants with whom they maintain their demat accounts and not to the Company.
12. Pursuant to Section 20 of the Companies Act, 2013, read with Rule 35 of the Companies (Incorporation) Rules, 2014, Companies are allowed to send to their Members notices / documents in the electronic form. To enable the Company to send its Annual Report, Notice of AGM, and other documents for the financial year ended 31st March, 2024 electronically, Members are requested to update (in case of change)/register, at the earliest, their email IDs with their Depository Participants in case the shares are held in the electronic form or the Registrar and Share Transfer Agent of the Company, RCMC Share Registry Private Limited, in case the shares are held in the physical form. The Company will discontinue to send the said documents in the physical form to such Members whose email IDs is not available and will send only to those who request delivery of the said documents in the physical form.
13. Pursuant to Section 123 (5) of the Companies Act, 2013, and the Securities and Exchange Board of India Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 and the modifications, if any, regarding use of electronic payment modes for making payments to investors, Members are requested to update their Bank account and latest address details with their respective Depository Participants (for shares held in the electronic form) along with a photocopy of their cheque to the Company s Registrar and Share Transfer Agent, RCMC Share Registry Private Limited (for shares held in the physical form). Our Registrar and Share Transfer Agent will take due note of the same for payment of Dividend whenever declared. This obviates problems like loss/fraudulent interception of Dividend warrants during postal transit while also expediting payment.
14. Members desiring any information on the Accounts of the Company are requested to write to the Secretary through email at info@leatherchem.com at least 10 (ten) days prior to the date of the Annual General Meeting so as to enable the Company keep the information ready.
15. The Securities and Exchange Board of India (SEBI) has directed for the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
16. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 07, 2018 amending section 139 of the Act and the Rules framed there under issued by the Ministry of Corporate Affairs.

17. Members are advised to note the ISIN No. INE681F01018 allotted to the Company's shares and those who are interested to dematerialize their shares may do so.
18. In compliance with the aforesaid MCA circulars and SEBI circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.leatherchem.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com
19. Members holding shares in physical mode may please note that The Securities and Exchange Board of India (SEBI) has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by all the shareholders who are holding their shares in physical form. Effective from 1st January 2022, any service requests or complaints received from such member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after 1st October, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.leatherchem.com/ Investor relations/important announcement to physical shareholders.

    Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company and RTA.

    To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

20. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Para 1.2.5 of Secretarial Standard 2, issued by The Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at the Annual General Meeting, form an integral part of the notice. The Director has furnished the requisite declaration for re-appointment.

21. In all correspondence with the Company or with its Share Transfer Agent, Members are requested to quote their Client ID Number and their DPID Number if the shares are held in the dematerialized form; in case the shares are held in the physical form, they must quote their Folio Number.
22. Those Members who have not yet en-cashed/ claimed the Dividend of the Company for any/ all of the financial year 2016-17 to 2022-23 are requested to en-cash/ claim the same immediately. In terms of Section 124 and 125 of the Companies Act, 2013, the Company shall be required to transfer the unclaimed / unpaid Dividend of the Company on the expiry of seven years from the date it became due for payment, to the Investor Education and Protection Fund (IEPF) of the Central Government and subsequently, the Shareholders shall not have any right to claim the said Dividend from the Company or from the said Fund.

The details of the un-en-cashed/unclaimed Dividend for the Financial Years 2016-17 to 2022-23 as on 31st March, 2024 are as under:

Dividend for the year	Unclaimed/Unpaid Dividend as on 31st March, 2024 (Rs.)	Due date of transfer to Investor Education and Protection Fund
2016-17	3,62,376.00	29th October,2024
2017-18	2,06,932.80	29th October,2025
2018-19	1,96,932.00	29th October,2026
2019-20	N.A	N.A
2020-21	N.A	N.A
2021-22	N.A	N.A
2022-23	1,76,426.30	23rd October,2030

23. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during the financial year 2023-24, transferred to the IEPF Authority, details of all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of such unpaid dividends transferred to the IEPF Authority are available on the link http://www.iepf.gov.in.
Members may note that the shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them by visiting site : http://www.iepf.gov.in/IEPFA/refund.html or can contact our RTA for lodging claim for refund of shares and/or dividend from the IEPF Authority.
24. SEBI has mandated submission of Permanent Account Number (PAN) by every Member of the Company. Members holding shares in dematerialized form are requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent.
25. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting by electronic means along with the Ballot Form and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company one-Voting system.
The Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e- Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link www.evoting.nsdl.com or (link of website of Company).

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
The e-voting period commences on Wednesday the 25th September, 2024 (10:00 a.m.) and ends on Friday the 27th September, 2024 (05:00 p.m.). During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. end of the day of 20th September, 2024. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. end of 20th September, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or (Company/ RTA email id).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTINGARE AS UNDER:-

The remote e-voting period begins on Wednesday the 25th September, 2024 (10:00 a.m.) and ends on Friday the 27th September, 2024 (05:00 p.m.). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. end of 20th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being end of 20th September, 2024.

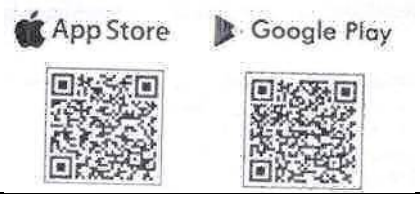
How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the eServices home page click on the "Beneficial Owner" icon under "Login" which is available under IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be

	re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period Ifyou are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/Secure Web/IdeasDirectReg.jsp 2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.. 3. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for N$DL eservices i.e. IDEAS, you can log-in at https:// eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat Your User ID is: (NSDL or CDSL) or Physical	For User ID is :
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Physical Form. Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial

password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password"?
   i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your User ID' and your "initial password'.
   ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.)
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who

are authorized to vote, to the Scrutinizer by e-mail to with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for -voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. Relevant documents referred to the accompanying Notice pursuant to provisions of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during office hours on will working days up to the date of the Annual General Meeting of the Company.
6. SEBI, vide circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, had inter-alia relaxed the requirements specified in regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) relating to dispatching hard copy of the statement containing salient features of all the documents as prescribed in section 136 of the Companies Act, 2013 (financial statements, Board’s report, Auditor’s report etc.), to those shareholders who have not registered their email addresses. The said relaxation was initially extended till December 31, 2021 and was subsequently extended upto December 31, 2022, vide SEBI circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (“SEBI Circular”).
   Incidentally, MCA, vide General Circular No. 10/2022 dated December 28, 2022, has provided similar relaxations to companies from dispatching physical copies of the financial statements (including Board’s report, Auditor’s report or other documents

required to be attached therewith) to the shareholders, for the Annual General Meetings (AGMs) conducted till September 30, 2023.

On October 07, 2023, the Securities and Exchange Board of India (SEBI) issued Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167. This circular addresses listed entities and recognized stock exchanges regarding relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations).

Extension by MCA: The Ministry of Corporate Affairs (MCA) issued General Circular No. 09/2023 on September 25, 2023, extending the relaxation for sending physical copies of financial statements to shareholders for AGMs conducted until September 30, 2024. SEBI received requests to extend the relaxations mentioned in point 1.

SEBI's Decision: In consideration of the extension by the MCA and the representations received, SEBI has decided to extend the relaxations mentioned in point 1 above until September 30, 2024.

After considering MCA, it has been decided by SEBI to extend the relaxations provided in para 2 and 4 of the SEBI Circular till September 30, 2024 and all the listed entities shall ensure compliance with the conditions specified in para 2 and 3 of the said circular which is reproduced below:

Para 2. In terms of regulation 36(1)(c) of the LODR Regulations, listed entities are required to send hard copy of full annual reports to those shareholders who request for the same.

Para 3. The notice of AGM published by advertisement in terms of regulation 47 of the LODR Regulations shall disclose the web-link to the annual report so as to enable shareholders to have access to the full annual report.

Para 4. Further, the requirement of sending proxy forms under Regulation 44 (4) of the LODR Regulations is dispensed with upto December 31, 2022, in case of general meetings held through electronic mode only.

Therefore, Listed Entities are still required to send proxy forms in case of general meetings held in physical mode.

Regd. Office: 72-77, HSIIDC Industrial Estate,
Hansi Road, Jind-126102, Haryana

By order of the Board
of Directors of
Haryana Leather Chemicals Ltd.

Dated: 28th August, 2024
Website: www.leatherchem.com

SILU NANDA
Company Secretary

EXPLANATORY STATEMENT

Statement pursuant to Section 102(1) of the Companies Act, 2013 ('Act')
The following statement sets out all material facts relating to the special business under items No. 4 to 7 mentioned in the notice of AGM:

ITEM NO. 4

RE-APPOINTMENT AND CONTINUATION OF MR. CHINAR GOEL (DIN:07610985) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

Mr. Chinar Goel (DIN:07610985), who was appointed as an Independent Director of the Company in the Board Meeting held on 09.08.2024 upto the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2024. Based on the recommendation of the Nomination and Remuneration Committee and based on skills, experience, knowledge and report of performance evaluation, the Board of Directors of the Company in their meeting held on August 09, 2024, appointed Mr. Chinar Goel as an Independent Director subject to the approval of shareholders in the 39th Annual General Meeting for a term of 5 years with effect from 09.08.2024 to 08.08.2029 (both days inclusive) and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Non-Executive Director of the Company.

Also he is not liable to retire by rotation.

The Board recommends approval of the re-appointment of Mr. Chinar Goel as an Independent Director by the Members through Special Resolution set forth in Item No. 4 of the Notice.

Except Mr. Chinar Goel, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at Item No. 4.

Brief Profile of Mr. Chinar Goel

Mr. Chinar Goel has done MBA Finance and presently doing his own business. He was also recognised by Forbes Asia last year as upcoming under 30 age entrepreneur.

ITEM NO. 5

RE-APPOINTMENT AND CONTINUATION OF MR. KANISHK GUPTA (DIN:02243899) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

Mr. KANISHK GUPTA (DIN:02243899), who was appointed as an Independent Director of the Company in the Board Meeting and subsequent Annual general Meeting held in the year 2019 for a consecutive term of five years. Based on the recommendation of the Nomination and Remuneration Committee and based on skills, experience and knowledge, the Board of Directors of the Company appointed Mr. Kanishk Gupta as an Independent Director subject to the approval of shareholders in the 39th Annual General Meeting for a second term of 5 years with effect from 29.09.2024 to 28.09.2029 (both days inclusive) and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company.

The Board recommends approval of the re-appointment of Mr. Kanishk Gupta as an Independent Director by the Members through Special Resolution set forth in Item No. 5 of the Notice.

Except Mr. Kanishk Gupta, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at Item No. 5.

Brief Profile of Mr. KANISHK GUPTA

Kanishk Gupta is a qualified fellow and is having qualifications as International management from London School of Economics, Managerial Finance from Harvard and B. Tech from U.K. and has vast experience of handling production business.

ITEM NO. 6

RE-APPOINTMENT AND CONTINUATION OF MRS RITU ATRI (DIN:09596000) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

MRS RITU ATRI (DIN:09596000) was appointed as an Independent Director of the Company in the Board Meeting held on 28.08.2024. Based on the recommendation of the Nomination and Remuneration Committee and based on skills, experience and knowledge, the Board of Directors of the Company appointed Mrs. Ritu Atri as an Independent Director subject to the approval of shareholders in the 39th Annual General Meeting for a term of 5 years with effect from 28.08.2024 to 27.08.2029 (both days inclusive) and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Non –Executive Director of the Company.

The Board recommends approval of the re-appointment of Mrs. Ritu Atri as an Independent Director by the Members through Special Resolution set forth in Item No. 6 of the Notice.

Except Mrs. Ritu Atri, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at Item No. 6.

Brief Profile of Mrs. RITU ATRI

Mrs. Ritu Atri did her Bachelors of Commerce (B. Com) Degree from Maharshi Dayanand University (MDU) Rohtak, Haryana. She is an Associate Member of the Institute of Company Secretaries. She has also awarded Gold Medal for achieving the 1st rank in the College in LLB Exam. She has vast experience of more than 8 years in Secretarial Compliance, Legal and Secretarial Audit. She is taking care of all the compliance related to the MNC Companies, Listed Companies, Unlisted Companies and Private Companies.

ITEM NO. 7

RE-APPOINTMENT AND CONTINUATION OF MR PRADEEP KUMAR VERMA (DIN:10749814) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

MR PRADEEP KUMAR VERMA was appointed as an Independent Director of the Company in the Board Meeting held on 28.08.2024. Based on the recommendation of the Nomination and Remuneration Committee and based on skills, experience and knowledge, the Board of Directors of the Company appointed Mr. Pradeep Kumar Verma as an Independent Director subject to the approval of shareholders in the 39th Annual General Meeting for a term of 5 years with effect from 28.08.2024 to 27.08.2029 (both days inclusive) and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Non –Executive Director of the Company.

The Board recommends approval of the re-appointment of Mr. Pradeep Kumar Verma as an Independent Director by the Members through Special Resolution set forth in Item No. 7 of the Notice.

Except Mr Pradeep Kumar Verma being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at Item No. 7.

Brief Profile of Mr. PRADEEP KUMAR VERMA

Mr. Pradeep Kumar Verma is post graduate of commerce (M.Com) Degree from University of

Rajasthan, Jaipur. He is an Associate Member of the Institute of Company Secretaries of India and also has completed LL.B. He has experience of 4 years of handling legal matter and Secretarial compliance. He is very well versed with Corporate Laws.

(ANNEXURE TO NOTICE DATED AUGUST 28, 2024)

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and Secretarial Standard 2 on General Meetings (SS-2)]

Name of the Director	**CHINAR GOEL**	**KANISHK GUPTA**	**RITU ATRI**	**PRADEEP KUMAR VERMA**
DIN	07610985	02243899	09596000	10749814
Date of Birth	15.06.1993	22.10.1978	03.11.1990	06.09.1989
Date of first appointment on the Board	09.08.2024	18.05.2019	28.08.2024	28.08.2024
Qualifications	MBA Finance	Managerial Finance, B.Tech.	Associate Member of Institute of Company Secretaries of India	Associate Member of Institute of Company Secretaries of India, LLB
Expertise	Business	Finance/ Economics	Professional	Professional
Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign companies)	NIL	NIL	1	NIL
Memberships/ Chairmanships of committees across all companies	NIL	3	2	NIL
Number of Meetings attended during the year	N.A.	1	N.A.	N.A.
Shareholding of Non-Executive Directors	NIL	NIL	NIL	NIL

(ANNEXURE TO NOTICE DATED AUGUST 28, 2024)

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings (SS-2)}

Name of the Director	Narendra Kumar Jain
DIN	00486730
Date of Birth	22.09.1928
Date of first appointment on the Board	22.04.1985
Qualifications	Masters
Expertise	Business Administration
Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign companies)	Nil
Memberships/ Chairmanships of committees across all companies	Nil
Number of Meetings attended during the year	3
Shareholding in the Company	Nil

Regd. Office: 72-77, HSIIDC Industrial Estate,
Hansi Road, Jind-126102, Haryana

By order of the Board
of Directors of
Haryana Leather Chemicals Ltd.

CIN: L74999HR1985PLC019905
Dated: 28th August, 2024
E-mail: Info@leatherchem.com
Website: www.leatherchem.com

SILU NANDA
Company Secretary

DIRECTOR'S REPORT

Dear Shareholder's

The Directors of Haryana Leather Chemicals Ltd. are pleased to present the 39th Annual Report and Audited Statement of the Company's accounts for the year ended on 31st March, 2024.

FINANCIAL RESULTS:

A summary of the financial results for the year 2023-24 is given below:

	2023-24 (Rs. in Lakh)	2022-23 (Rs. in Lakh)
Sales Turnover (Net of Taxes)	4442.19	4247.89
Gross Profit	653.68	333.90
Deductions:		
Depreciation	86.65	77.68
Interest	2.54	2.85
Profit before tax	564.49	253.37
Less: Provision for Income Tax for the year	82.99	61.35
Add: Provision for Income Tax written back		0
Less: Previous year's adjustment	5.52	0
Less/(Add): Deferred tax liabilities	14.16	5.92
Profit after tax and available for appropriation	461.82	186.10
Less: Provision for dividend	0	0
Less: Provision for dividend tax	0	0
Less: Transfer to general reserve	0	0
Profit Carried to Balance Sheet	461.82	186.10

OPERATIONS:

During the year, there is an increase in sales turnover which stands at Rs.4442.19 lakhs against Rs. 4247.89 lakhs of the previous year. The year profit is Rs.461.82 lakhs out of Rs. 461.82 lakhs profit on sale of assets is Rs. 215.68 lakhs. The company is able to post better operating profit than last year due to increase in sales, tight costing and favorable market conditions.

CHANGES IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company.

DIVIDEND:

The Company has been able to register the good profit for the last years. The Company expresses its gratitude's to all shareholders for supporting the Company in these difficult periods. This year Board of Directors is glad to recommend 10% dividend to the shareholders for the year 2023-24.

If approved by the Shareholders at the ensuing Annual General Meeting, the above equity dividend will be paid to those shareholders whose names shall appear in the Register of Members as on the Book Closure date. The total equity dividend outgo for the financial year 2023-24 will absorb a sum of Rs. 49,08,470/-. Further, the Board of your Company has decided to transfer amount to the General Reserves for the year under review.

DIRECTORS:

The composition of the Board of Directors of the Company is furnished in the Corporate Governance Report annexed to this report. Pursuant to the provisions of the Articles of Association of the Company, the Directors- Dr. K.S.V. Menon (DIN: 00920088), Dr. Massimo Medini (DIN: 00926147), Mr. Pradeep Behl (DIN: 00703855), Mr. Marco Medini (DIN: 03709885) and Mr. Kanishk Gupta (DIN: 02243899) are the Directors who are Non-Executive and Independent and are not eligible to retire by rotation. Mr. Vijay Kumar Garg (DIN:

00236460) is the Non-Independent Director on the Board. However, Mr. N.K. Jain (DIN: 00486730) is liable to be retire by rotation at the forthcoming Annual General Meeting of the Company to be held on 28th September, 2024 and thus being eligible offers himself for re-appointment.
Mr. Pankaj Jain (DIN: 00206564) is the Managing Director cum Chairman of the Company and Mr. N.K. Jain (DIN: 00486730) is the Director cum Vice Chairman of the Company and Mrs. Sippy Jain (DIN: 03189151) is the Director in the Company. Mr. Sukanto Choudhury is CFO of the Company.
Dr. K.S.V. Menon (DIN: 00920088) was expired on 05.04.2024.
Mr. Chinar Goel (DIN: 07610985) has been appointed as the Additional Independent Non-Executive Directors in the Company in the Board meeting held on 09.08.2024, Mrs. Ritu Atri (DIN:09596000) and Mr. Pradeep Kumar Verma (DIN:10749814) have been appointed as the Additional Independent Non-Executive Directors in the Company in the Board meeting held on 28.08.2024

STATUTORY AUDITORS:
The members had at the 37th AGM of the Company appointed S. C. Dewan & Co., Chartered Accountants, (Firm Registration No. 000934N) Panchkula as Statutory Auditors of the Company to hold the office from the close of the 37th AGM till the conclusion of the 42nd AGM, not subject to their appointment being ratified by the members in every AGM has been appointed for a further term of five years. The members of the Company approved deletion of the requirement of seeking ratification of appointment of Statutory Auditors at every AGM pursuant to amendment brought by the Companies Amendment Act, 2017.
The Auditors Report for FY 2023-24 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark. Auditor s report does not need any comments for the Directors.

REPORTING OF FRAUD BY AUDITORS:
There were no instances of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or the Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS:
The Company followed the guidelines as laid down in the IND-AS, prescribed by the Institute of Chartered Accountants of India, for the preparation of the financial statements.

OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:

The Institute of Company Secretaries of India has issued secretarial standards on board meetings & general meetings and also issued draft secretarial standards for payment of dividend, maintenance of register and records, minutes of meetings, transmission of shares and debentures, passing of resolution by circulation, if required

DECLARATION BY INDEPENDENT DIRECTORS:
The Company has received necessary declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Companies Act, 2013.

MEETING OF THE BOARD, COMMITTEES & COMPLIANCE TO SECRETARIAL STANDARDS:

The Board meets at regular intervals, with gap between two meetings not exceeding 120 days. During the year under review, the Board met Four times.

The Board has three Committees namely Audit Committee (AC), Nomination and Remuneration Committee (NRC) and Stake holders Relationship Committee (SRC). A detailed note on the composition of the Board and its Committees (AC, NRC and SRC) is provided in the Corporate Governance Report included in this Annual Report.

The minutes of the meetings are reviewed at every Board meeting.

During the year under the review, the Company has complied with the provisions of Secretarial Standard 1 (relating to meeting of the Board of Directors) and Secretarial Standard 2 (relating to General meeting).

PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUES, AMONG OTHERS

The Company did not have any of the above issues during the year under review.

PARTICULARS OF EMPLOYEES u/s 134 (3) OF THE COMPANIES ACT, 2013

The information required pursuant to Section 134 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors, Key Managerial Personnel (KMP) and Employees of the Company are proved as follows:

The Company did not employ any person drawing a remuneration of Rs. 8,50,000.00 or above for one month or part of the month or Rs. 1,02,00,000.00 or above for one year, whose particulars are required to be mentioned u/s 197 of the Companies Act, 2013.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Neeraj Gupta & Associates, a firm of Company Secretaries in Practice (C.P. No. 4006) to undertake the Secretarial Audit of the Company for the financial year ended 2023-24. The report on the Secretarial Audit carried out for the year 2023-24 is annexed herewith as Annexure-B in the specified form MR-3.

CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE:

Pursuant to the Listing Regulations, a certificate has been received from M/s Neeraj Gupta & Associates, a firm of Company Secretaries in Practice (C.P. No. 4006), that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

AUDIT REPORT FOR RECONCILIATION OF SHARE CAPITAL:

M/s Manoj Gupta & Associates, Company Secretaries, carried out a share capital audit to reconcile the total admitted equity share capital with the NSDL and the CDSL and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with the NSDL and the CDSL

SUBSIDIARY & CONSOLIDATED FIANCIAL STATEMENTS:

The Company is not required to consolidate its financial statements for the year ended 31st March, 2024 as the Company doesn't have any Subsidiary and Joint Ventures Companies.

COST AUDITOR'S COMPLIANCE:

The Central Government has directed that a cost audit of the Company should be conducted in the manner specified in MCA order 52/26/CAB-201 Dt. 24-01-2012, or any amendment thereof, by a Cost Accountant within the meaning of the Cost and Works Accountants Act, 1959 as amended thereof.

However, as per Companies (cost record and audit) Rules, 2014 notified by Ministry of Corporate Affairs, cost audit is not applicable to the Company by virtue of its turnover being less than the prescribed limits. Therefore, the Board did not proceed with the appointment of cost auditor and cost audit for the year 2023-24.

The Company is properly maintaining its cost record internally.

CORPORATE SOCIAL RESPONSIBILITY:

With the enactment of the Companies Act, 2013, India has become the forerunner to mandate spend on Corporate Social Responsibility (CSR) activities through a statutory provision.

The new CSR provisions put format and greater responsibility on Companies in India to set out clear framework and processes to ensure strict compliance. However, what the Companies Act does is bring more Companies into the fold and increase the total CSR spend.

Section 135 (1) of Company act 2013 mandates the CSR expenditure/CSR Applicability only for the Companies into the fold and increase the total CSR spend.

Section 135 (1) of Company Act 2013 mandates the CSR expenditure/CSR Applicability only for the Companies having following:

a) Net worth of Rs. 500 crore.
b) Turnover of Rs. 1000 crore.
c) or net profit of Rs. 5.00 crore where net profit excludes income from overseas branch & divided distribution by Company on which section apply.

As the Company, Haryana Leather Chemicals Limited doesn't fall under any of the categories as mentioned above, the Company was not required to constitute any CSR policy or to make any expenditure towards CSR funds.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There is no such material changes and commitments that effects the financial position of the Company between the end of the F.Y. 2023-24 and the date of the report.

There was no one time settlement entered into with the Banks or Financial Institutions.

WOMAN DIRECTOR

In terms of section 149 of the Act 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors, Rules, 2014 and SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have a woman Director on its Board. Mrs. Sippy Jain is already appointed as the Woman Director of the Company.

PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORK PLACE

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redresser) Act, 2013 [14 of 2013]

TRANSFER OF FUNDS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company is distributing dividend to its shareholders since 2006 on recommendation of the shareholders of the Company. And pursuant to the provisions of sections 124 and 135 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, for the unclaimed dividend for the year 2015-16 amounting to Rs. 3,91,347.00 the Board has taken necessary steps to transfer the unpaid/unclaimed dividend of Equity Shareholders for the year 2015-16 to the Investor Education and Protection fund (IEPF) of the Central Government established under section 124 and 125 of the Companies Act, 2013.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A and recent amendments to SEBI (LODR) Regulations, 2015 and on the basis of market capitalization your Company has formulated a "Dividend Distribution Policy". The said policy is available on the website of the Company at www.leatherchem.com

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee of Directors (NRC) reviews the composition of the Board of Directors of the Company, to ensure that there is an appropriate mix of abilities, qualifications, experience and diversity to serve the interest of all shareholders and the Company.

During the year, in accordance with the requirements under Section 178 of the Companies Act 2013 and relevant clause of Listing Agreement, the NRC formulated a Nomination and Remuneration Policy to govern the terms of nomination/appointment and remuneration of

i) Directors,
ii) Key Managerial Personnel (KMPs) and
iii) Senior Management Personnel (SMPs) of the Company
iv) The NRC also reviews succession planning of both SMPs and Board. The Company's approach in recent years is to have a greater component of performance linked remuneration for SMSPs. The process of appointing a Director/KMPs/SMPs is, that when a vacancy arises, or is expected, the NRC will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate will bring to the Board/Company, and the balance of skills added to that of which the existing members hold.

The NRC will review the profile of persons and the most suitable person is either recommended for appointment by the Board or is recommended to shareholders for their election. The NRC has discretion of decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.

NRC will ensure that any person(s) who is/are appointed or continues in the employment of the company as its Executive Chairman, Managing Director, whole-time Director shall company with the conditions as laid out under schedule v to the Act 2013.

NRC will ensure that any appointment of a person as an independent Director of the company will be made in accordance will the provisions of section 149 read with Schedule V of the Act 2013 along with any other applicable provisions and SEBI (listing Obligations and Disclosure Requirements) Regulations. 2015

VIGIL MECHANISM / WHISTLE BLOWER PROLICY

While every employee's contract of employment stipulates that he/she will not disclose confidential information about the employer's affairs in order to bring about accountability and transparency there should be a mechanism to enable employees to voice their concerns where

they discover information which they believe shows serious malpractice impropriety abuse or wrong doing within the organization. Which they believe shows serious assisted to raise concerns without any fear of victimization subsequent discrimination or disadvantage if the employee has acted in good faith it does not matter if one is mistaken and the company shall ensure protection from any harassment or victimization of/against the disclosing the disclosing employee

The company has adopted a whistle blower policy which applies to all permanent employees of the company including those who are on probation and comes in to effect from April 1, 2014 to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior accrual or suspected fraud or violation of the company's code of conduct or ethics policy the policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the chairman of the Audit committee. It is affirmed that no personnel of the company has been denied access to the Audit committee.

1. Policy and procedure for disclosure. Enquiry and disciplinary action

1.1 Concerns which may be raised

A whole variety of issues could fall under malpractice impropriety abuse and wrong doing some of which are listed below

- Breach of any policy or Manual or cord adopted by the company
- Fraud and corruption (e.g. Receiving bribes).
- Health and safety risks. Including risks to the public as well as other employees e.g. faulty electrical equipment).
- Any sort of financial malpractice
- Abuse of power (e.g. Bullying/harassment)
- Any unlawful act. Including failure to comply with legal or statutory obligation for and on behalf of the company
- Any other unethical or improper conduct.

1.2 concerns-how to raise/whom to disclose

The concern should be disclosed through letter. E-mail telephone fax or any other method to any of the following persons who shall comprise the corporate compliance committee headed by the managing director & Chairman reporting directly to the Audit Committee of the Board.

The Corporate Compliance Committee comprises the Managing Director & Chairman the Executive Director & company secretary the CEO and the HR.

All relevant information regarding the concern should be disclosed not later than 1 year from the date on which the employee came to know of the concern up on receipt of the disclosure the member of the compliance committee receiving the same shell furnish a copy to the Managing director& chairman who shall decide which member shall be responsible for the investigation.

1.3 procedure for investigation

Obtain full details and clarifications of the complaint.

Consider the involvement of the company s Auditors of any other external investigation agency or person. Fully investigate into the allegation with the assistance where appropriate of other individuals/bodies. Prepare a detailed written report and submit the same to the Compliance Committee not later than 30 days from the date of disclosure of the concern Based on the findings in the written report and after conduct of such further investigation as it may deem fit, the Compliance Committee shall take a decision in the matter not later than 30 days from the date of the written report. If the complaint is shown to be justified then they shall invoke disciplinary or other appropriate action against the defaulting employee. A copy of all decisions of the Compliance Committee shall be placed before the Audit Committee at the meeting held immediately after such final decision

The employee making the disclosure as well as all other persons involved in the investigation and the members of the Compliance Committee shall not make public the Concern disclosed except with the prior written permission of the Audit Committee, except where the employee is called up on to disclose this by any judicial process.

FIXED DEPOSIT

The Company has not accepted/renewed any fixed deposits during the period under review.

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance. A separate statement on Corporate Governance together with a certificate on the compliance of conditions of corporate governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained from the Statutory Auditors of the Company and the same has been given below as Annexure.

DIRECTOR'S RESPONSIBILITY STATEMENT AS PER SECTION 134 (8) OF THE COMPANIES ACT, 2013:

The Board of Director's acknowledges the responsibility for ensuring compliances with the provisions of section 134 (5) of the Companies Act, 2013 in the preparation of Annual Accounts for the financial year ended on 31st March, 2024.

The Board of Directors of the Company confirms that

a. During the preparing of the annual accounts, the applicable accounting standards have been material departure has taken place.

b. The Selected accounting policies were applied consistently and the Director's made judgments and estimates that are reasonable and prudent so as to give an accurate view of the state of affairs of the Company as on March 31, 2024 and of the profit of the Company for the year ended on that date.

c Proper and sufficient care has been taken 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. Annual accounts have been prepared on an ongoing concern basis.

e. The Directors have devised proper systems to ensure compliance with the provision following applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has neither given any loans or guarantees nor made any investment during the year under review. The overall limit is within the powers of the Board as applicable to the Company in terms of the applicable provisions of the Companies Act, 2013.

The particulars of loans, guarantees and investment have been disclosed in the notes of the Financial Statements for the year ended 31st March, 2024 and form a part of this Annual Report.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Related Parties which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOS, COURTS AND TRIBULAS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

There have been no significant and material orders passed by the regulations or courts or tribunals impacting the going concern status and company's operations in future.
There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF NON-COMPLIANCE ETC.
The company has not received any notice from BSE or other authority for non-compliance.

INTERNAL FINANCIAL CONTROLS
The Company has in place adequate internal financial controls with reference to Financial Statements. During the year under review, such controls were retested by the Auditors and no reportable material weakness was observed.

EXTRACT OF ANNUAL RETURN
The details forming part of the extract of the Annual Return in form MGT-9 is annexed here with in the Annual Report.

COMPANY'S WEBSITE
The website of your Company, www.leatherchem.com has been designed to present the Company's business up-front on the home page. The site carries a comprehensive database of information including the Financial Results of your Company, Shareholding pattern, Director's & Corporate Profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules 2014 and as per the SEBI LODR Regulations, 2015 (erstwhile Listing Agreement) has been uploaded.

QUALITY CONTROL
Leather Industry – worldwide is undergoing a huge transformation. The focus of leather chemical quality is now intermeshed with environmental concerns, sustainability and safety during process and use of leather product by the end user. The most important quality guidelines and regulatory measures are now controlled by the agency ZDHC (Zero Discharge of Hazardous Substance).

The ZDHC Wastewater Guidelines set a single, globally unified expectation across the textile, leather and footwear industry for industrial wastewater and sludge. The ZDHC Manufacturing Restricted Substances List (ZDHC MRSL) is a list of chemical substances banned for the processing of leather and footwear industry. The ZDHC MRSL goes beyond the traditional approaches and addresses consumer safety as well. The MRSL approach also helps protect workers, local communities, and the environment from the possible impacts of harmful chemicals.

The company has ensured strict compliance with ZDHC norms, undertaken product testing internally and through international labs for registration and qualifications at different levels. As on the date of publishing this report, the ZDHC audit has been conducted by InterTech. In our endeavor to comply with the ZDHC requirement, the company has successfully achieved Level 1 version 3.1 for most of our fast-moving products. The list keeps growing continuously with further steps taken for compliance with Level 2 & 3 as well. The company looks forward to another year of growth and development within ZDHC and greater investment in that direction to achieve our long-term objective.

The company continues to align its "GREEN TREK" safety and environmental ethos with ZDHC and REACH guidelines. So far, no incidence of detection of any restricted substances has been

reported. Overall product quality, consistency, application, quality, shelf-life stability remains highly satisfactory.

EXPORT OPERATIONS:

The company has been able to achieve export growth of around 15% as compared to FY 22-23: thanks to persistent effort, follow-up and application support by export team. The company has successfully retained its customer base in Russia, Uzbekistan, Turkey, China, Kenya, Bangladesh and Vietnam. Inspite of a very aggressive pricing from European competitors, who are facing a squeeze due to Russia sanctions, the company has been able to win orders consistently from old customers.

The openings made in Latin America in previous years have been consolidated further, but due to disturbances in global container trade due to the Red Sea shipping crises, there is a sudden increase in shipping costs. This is causing some unforeseen disruptions.

The company has still not been able to regain China business to pre covid levels. But the travel restrictions to China have been eased off: company has revived the customer contacts by sending export teams to Shanghai and Hong Kong leather fairs. The company is positive that export targets for China can be realized.

TECHNOLOGY DEVELOPMENT:

For the year 23-24, the company undertook the following technology development projects to address new market trends and diversify in non-leather product portfolio.

High Performance Pigment Dispersions: The Company completed the development of high-performance pigment dispersions. The series is branded as NANOLUX and 19 products have been launched – while focusing on widening the range of black and white shades that constitutes 80% of the market size. The performance of these products has been extensively benchmarked, with top European brands on tinting strength, particle size, coverage, high temperature resistance and rheological properties using most advanced analytical techniques. Some unique products like Inorganic Black and high solid Ultra White, aimed for automotive upholstery, are being produced for the first time in India and will be import substitutes.

Acrylic Processing Aids and Impact Modifier for PVC: This project has been one of the most intensive and challenging R & D projects ever undertaken by the company. The company has successfully updated its previous range of PVC products. The PARACRYL series products have now been replaced with the most advanced product range and rebranded to be AKRELON. The new series has been thoroughly tested in a new in-house PVC application lab supported with Torque Rheometer, Impact tester, “Time to Stick” analyses and spectrometry. A new particle size analyzer - MALVERN ZETASIZER has been installed to evaluate Nano level polymer core- shell structure during Acrylic Liquid production.

The AKRELON series product testing was conducted over an extensive 8-month period during with external application experts from around the world were brought to validate our findings. The results were also verified with external labs to ensure they compete with the top European and Japanese brands.

The evaluation data is being presented to some leading customers in window profiles, PVC pipes and fittings who have shown very encouraging interest in the AKRELON series.

PERSONNEL & INDUSTRIAL RELATION:

The company’s employees have demonstrated continued commitment towards revenue growth, product development and expansion of our B2B network of sales.

A thorough personnel review revealed some rising stars, who were duly promoted to support the business priorities. In addition, a rigorous HR hiring process was involved to hire additional

staff needed to support AKRELON products – focusing on building sales and technical expertise as well as customer support.

Similar to prior years, there is no incidence of any unresolved Employee Relations issue across all teams, and a clear, well-defined routine exists to continue collaboration across senior management, department heads, full-time workers and casual labor.

ENVIRONMENT & POLLUTION CONTROL MEASURES:

The company's sustainability goals relating to wastewater recovery, reduction in ground water usage, cleaner fuel and improved energy efficiency will continue to remain at the core of environment and pollution control measures and will outperform the statutory regulations.

Water conservation and wastewater recovery goals during FY 23-24 have been fully met with. The company has been able reduce dependency on internal ground water resource and has switched 80% requirement from external sources. The wastewater treatment has been modified to use the treated ETP water up to 50% in some of the water intensive products. The RO waste stream is also 100% utilized for personal hygiene and for makeup water in hydrant system. All these steps are reinforcing the "Zero Discharge' paradigm that the company has been practicing.

The company further expanded its LPG infrastructure to adopt clean fuel for one of the heavy-duty burners. During the year, the company switched to LPG for the thermic fluid heater burner of PVC spray dryer yielding nearly 90% reductions HSD. The use of HSD is now reduced to stand - by generators and material handling equipment. The company invited proposals for rooftop solar energy generation and these proposals are currently under evaluation.

ACKNOWLEDGEMENT:

The Directors extend their most sincere thanks to all employees for their continued commitment and sincerity in supporting various new ideas towards business growth, safety and sustainability. The company's suppliers, dealers, service providers, and technical consultants have continued their wholehearted support and the Directors deeply appreciate their role. The Directors extend their most sincere thanks to the esteemed shareholders for their continued confidence in the Company's management.

For and on behalf of the Board of Directors of Haryana Leather Chemicals Limited

Place: Gurugram	NARENDRA KUMAR JAIN	PANKAJ JAIN
Dated: 28th August, 2024	Chairman	Managing Director-cum-Vice Chairman
	(DIN: 00486730)	(DIN: 00206564)

ANNEXURE – A

INFORMATION AS PER SECTION 134(3) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2024

A) CONSERVATION OF ENERGY:

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure to this rule is as under:

Form-A

			Current Year 2023-24	**Previous Year 2022-23**
1.	a)	Power and Fuel Consumption Electricity Purchased (KW(H)	381292	365504
		Total Amount (Rs.)	3721410	3534000
		Rate / Unit (Rs.)	9.76	9.99
	b)	Own Generation		
		Through Diesel Generator		
		Unit (KWH)	2658	7058.6
		Units / Ltr. Of HSD	1.68	2.01
		Cost / Unit (Rs.)		
		Coal		
		Quantity		-
		Total Cost		-
		Average Cost		-
		Furnace Oil / HSD Oil Quantity (K. Ltrs.)	14.808	56.508
		Oil Quantity (K. Ltrs.)		
		Total Cost (Rs.)	1332275.76	4595052
		Average Rate (Rs. / K. Ltr.)	89.97	81.31
		Others / Internal Generation		
		Quantity KG	49500	17100
		Total Cost	3762000	1291484.38
		Rate Unit	76	75.52
2.		Consumption per Unit of Production Production (MT)	4987.06	3334.25
		Electricity (KWH / MT)	76.98	109.62
		Furnace / HSD Oil (Ltr. / MT)	2.97	16.95
		Coal		
		Others	9.92	5.12

B) **TECHNOLOGY ABSORPTION**:

a) **RESEARCH & DEVELOPMENT (R & D)**

1. SPECIFIC AREA IN WHICH R & D WAS CARRIED OUT:

For the year 23-24, the company undertook the following technology development projects:

High Performance Pigment Dispersions: The Company completed the development of high-performance pigment dispersions. The series is branded as NANOLUX and 19 products have been launched. The focus was widening the range of black and white shades that constitute 80% of the market size. The performance of these products has been extensively benchmarked, with top European brands on tinting strength, particle size, coverage, high temperature resistance and rheological properties using most advanced analytical techniques.

Some unique products like Inorganic Black and high solid Ultra White, aimed for automotive upholstery, are being produced for the first time in India and are import substitutes.

Acrylic Processing Aids and Impact Modifier for PVC: The Company successfully updated its previous range of PVC products. The PARACRYL series products have now been replaced with the most advanced product range and rebranded as AKRELON. The new series has been thoroughly tested in a new in-house PVC application lab supported with Torque Rheometer, Impact tester, "Time to Stick" analyses and spectrometry. A new particle size analyzer - MALVERN ZETASIZER has been installed to evaluate Nano level polymer core- shell structure during Acrylic Liquid production.

2. **BENEFITS DERIVED AS A RESULT OF ABOVE R&D**:
The research on NANOLUX series of pigment benefited in upgrading the prevailing product range to more value-added products that are essential to support new trends in leather finishing. Due to adoption of better-quality raw materials and highly specialized rheological additives and stabilizers, Nanolux series pigment will be able to compete with most popular brands from Europe. The company expects improved market share in export where older pigment series was not acceptable.

The development of AKRELON series PVC additives will create an entirely new business vertical aimed for sales growth in the non -leather segment. The acrylic liquid production and spray dryer facility will have much improved capacity utilization without additional capex. The PVC industry offers a huge growth opportunity in India and neighboring countries and the AKRELON range will allow entry in this segment. The company can put additional products in future for PVC processing and reduce dependence on the leather sector.

3. **FUTURE PLAN OF ACTION:**
For the year 24-25, the company has undertaken following technology development work with a view to support the AKRELON product lines:

Inhibitor control during storage of Acrylic Monomers: Due to the increase in production of acrylics to augment AKRELON range, the company needs to buy bulk lot of key monomers like Butyl Acrylate, Methyl Metha Acrylate and Acrylonitrile. This would require monitoring of Inhibitor quantity during bulk storage. Especially in summer the inhibitor in these monomers shows a tendency to deplete - posing some safety challenges. This requires highly advanced techniques using chromatography and spectrophotometry to detect ppm level inhibitor depletion and formation of peroxide. The company has already initiated some work and may require some additional analytical equipment.

Automation to control reactors: The Company needs to upgrade its current acrylic liquid production in terms of capacity and quality. Due to incorporation of high-capacity reactors in AKRELON production lines, it is considered necessary to develop automated control loops relating to flow and temperature control during reactions that are exothermic. The company plans to explore the use of highly precise dosing pumps and control valves, and link these to a programmable Logic controller (PLC). The automatic controls will also allow remote operations to ensure higher safety for operators.

These technologies will render long-term benefits in sales and profitability growth.

4. **R & D EXPENDITURE**

a) Capital:	76.69 Lakh
b) Recurring:	70.22 Lakh
c) Total	146.91 Lakh
d) Total R&D Expenditure:	3.31% Lakh as percentage of total turnover

C) **TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

a) All previously imported technologies have been fully absorbed and commercialized.

b) The indigenously developed technologies of previous years have been absorbed and commercialized.

D) **FOREIGN EXCHANGE EARNINGS & OUTGO**

a) The Company's foreign exchange earnings from the exports (Inclusive of foreign exchange fluctuations) were Rs. 971.09 Lakh.

b) The expenditure in foreign exchange during the financial year under reviews Rs 201.06 Lakh. This is related to payment towards raw materials, import of capital goods, payment of overseas travel of Directors & Employees

For and on behalf of the Board of Directors of Haryana Leather Chemicals Limited

Place : Gurugram	NARENDRA KUMAR JAIN	PANKAJ JAIN
Dated : 28th August, 2024	Chairman	Managing Director-cum Vice Chairman
	(DIN-00486730)	(DIN-00208564)

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

1. Industry Structure:

The Leather Chemicals market is anticipated to exhibit fluctuating growth patterns in the near term, largely influenced by persistent factors contributing to sluggish growth in 2023. However, improvements in the economy and alleviation of supply chain concerns are projected to facilitate a rebound in demand for the Leather Chemicals market, particularly in the latter half of 2024.

In anticipation of an economic downturn, the Leather Chemicals industry faces several key challenges to address during the short- and medium-term forecast. These include shifting consumer preferences, the need for industrial policy amendments to align with growing environmental concerns, significant fluctuations in raw material costs due to geopolitical tensions, and expected subdued economic growth.

Despite the anticipated challenges in 2024, the Leather Chemicals industry can leverage valuable opportunities by prioritizing resilience and innovation. This entails maintaining investment discipline, actively engaging in business ecosystems, and demonstrating a strong commitment to sustainability, thereby underscoring the chemicals industry's pivotal role in driving sustainable solutions.

2. Opportunities & Threats:

Opportunities:
In terms of market strategy, price trends, drivers, challenges, and opportunities, Leather Chemicals market players are directing investments toward acquiring new technologies, securing raw materials through efficient procurement and inventory management, enhancing product portfolios, and leveraging capabilities to sustain growth amidst challenging conditions. Regional-specific strategies are being emphasized due to highly varying economic and social challenges across countries.

Government policies and incentives promoting the energy transition have bolstered manufacturing sector growth, particularly with the support of bio-chemicals and materials. However, uneven recovery across different end markets and geographies presents a key challenge, prompting companies to prioritize cost consciousness and operational efficiency.

Threats:
Factors such as global economic slowdown, the impact of geopolitical tensions, delayed growth in specific regions, and the risks of stagflation necessitate a vigilant and forward-looking approach among Leather Chemicals industry players. Adaptations in supply chain dynamics and the growing emphasis on cleaner and sustainable practices further drive strategic shifts within companies.

3. Segment-wise or product-wise performance:

The company continues to maintain its market share in high performance wet end products especially in Kanpur and Kolkata market. The competition in Synthetic Tanning Agents being a commodity item has kept the market very tight. Any effort to increase prices, results losing some market share.

In the finishing chemical segment, the company's Acrylic Binders, PUD's, Compacts are being recognized well in both the domestic and international market, resulting in an increase in sales this year. These products are being recognized well especially in South India market which caters 40% of the total leather products in India. The company has opened a new fully equipped godown near Chennai. The sales in the domestic sector are stable and there is a growth in business-to-business sales.

4. **Outlook:**
India Leather Chemicals Market has reached USD 488.84 million BY 2025 and is anticipated to project robust growth in the forecast period with a CAGR OF 5.20% through 2029. Leather chemicals play a crucial role in various stages of leather production, including tanning dyeing and finishing, enhancing the quality and durability of other products.

This has led to a significant increase in their popularity and demand in recent years. The Indian market, known for its rich history in leather goods production has been quick to capitalize on this trend by embracing the use of these chemicals.

As one of the world leading leather exporters, India is in a favorable position to benefit from this growing demand for leather chemicals. The country's expertise in leather production coupled with its strong export capabilities positions it is key player in the global market. In addition to this the domestic market in India is also witnessing significant growth, driven by rising disposable incomes and evolving lifestyle preferences. This has further contributed to the increasing demand for leather chemicals within the country.

In conclusion, the future of India's leather chemicals market looks promising with its strong export capabilities, growing domestic demand, and a commitment to sustainability, the market is poised for robust growth in the coming years. The industry focus on quality, durability, and eco friendliness will continue to drive innovation and propel the market forward.

5. **Risks & Concerns:**
1. Leather chemicals, which are utilized at various stage of leather production, are derived from a range of raw materials including chromium salts, vegetable tannins and synthetic tanning agents. The cost of these inputs are susceptible to fluctuation influenced by a multitude of factors such as changes in supply and demand dynamics, geopolitical tensions and evolving environmental regulations.
2. For instance, chromium salts a crucial raw material used in Leather tanning have experienced considerable price volatility due to inconsistent supply and the rising concern surrounding environmental impact. Similarly, the prices of vegetable tannins are heavily influenced by agriculture yields which can be unpredictable due to changing weather patterns and the occurrence of natural disasters
3. The inherent price volatility of this raw material directly impacts the cost of production for leather thereby posing challenges for accurate business forecasting. Manufacturers may face squeeze profit margins if they are unable to pass on the increased cost to their customers
4. Furthermore, this climate of uncertainty creates a challenging environment for companies to plan long term investments and formulate growth strategies. The unpredictability in raw material prices can potentially slow down the growth of market and discourage new entrants from entering the industry. Thus, it becomes imperative for stakeholders in the leather industry to navigate these challenges and find innovative solutions to mitigate the impact of price fluctuations on their operations.

6. **Internal control systems and their adequacy:**
The company's internal control focusses on reliable financial reporting, compliance with laws, regulations and policies. The accounting and auditing assured operational effectiveness and efficiency. Management information systems demand forecast, purchase and production planning are integrated with SAP based system with transparency of data for key personnel. The data security has been tightened online or offline.

7. **Discussion on financial performance with respect to operational performance:**
The increase of profit as compared to last year is mainly due to increased sale, tight control on cost, efficient production and materials planning. Also company switching to LPG fuel from diesel has helped to reduce the production cost.

8. **Material developments in Human Resources / Industrial Relation front, including number of People employed:**
The Company's talent pool remains adequate and is concentrating on more specialized knowledge on laboratory practices, ISO Quality systems and ZDHC and production efficiency.

The company is in the last stage of audit for ZDHC level 3 certification; there are no unresolved grievances of workers who have exhibited strict discipline and cordial relations with the management. Increments have remained aligned with market trends across all levels of employees.

Number of employees as on 31.03.2024 was 90.

Annexure to the Board's Report Form No. AOC-2
Pursuant to sub-section (3) of section 134 of the Companies Act and Rule 8(2) of the Companies (Accounts) Rule, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third provision thereto.

1. Details of Contracts or arrangements or transactions not at arm is length basis

Name of the related party & and nature of relationship	Nature of contracts arrangements or transactions	Duration of silent terms of contras or arrangements Or transaction	Silent terms of contracts or arrangements or transaction including value if any	Date(s)of approval by the board	Amount paid as advances	Date on which the special resolution passed in general meeting as required under section 188
Not Applicable						

2. Details of contracts of arrangements or transactions at arm's length basis:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Related parties which may have a potential conflict with the interest of company at large all Related party Transactions are placed before the audit committee as also the Board for approval.

Name (s) of the related party and nature of relationship	Nature of contracts or arrangements or Or transactions	Duration of contracts or arrangements or Transactions Value, if any	Silent terms of contracts or arrangements or transaction including

1. **Labotron Instruments Pvt. Ltd.** Flat No. 6. Gauri apartments. 3-4, Rajesh Pilot Lane, New delhi-110011	Sale of Materials	On going	In the normal course of business and in line with market parameters
2. N K Jain Instruments Pvt. Ltd. 2A, Tribune colony Ambala cantt. Ambala-33001 Haryana	-do-	-do-	-do-
3. Labotech Microscopes India Pvt. Ltd. Flat No. Gauri Apartments 3-4, Rajesh Pilot Lane New Delhi-110011	Rent paid	-do-	
4. **N K Jain Holdings & Finance Pvt. Ltd.** D-142, Anand Niketan, New Delhi-110021			

Other Related Parties are:
Mr. Pankaj Jain (Managing Director cum Chairman)
Mr. N. K. Jain –Vice Chairman
Mrs. Sippy Jain-wife of MD
Ms. Ratnam Jain—Daughter of MD

The schedule of Related Party Transactions is as follows:

		(Rupees in thousands)
Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Transactions during the year:		
Operating Income:	-	-
Labotron Instruments Pvt. Ltd. N.K. Jain Instruments Private Limited	-	-
Rent Paid: N.K. Jain Holding & Finance Pvt. Ltd.	383.52	351.36
Marketing Expenses: Mrs. Sippy Jain	1478.50	982.00
Salary Expenses: Ms. Ratnam Jain	1800.00	175.00

		(Rs. In Thousands)
Balance outstanding at the year end	**As at 31 March, 2024**	**As at 31 March, 2023**
Balance payable		
N.K. Jain Holding & Finance Pvt. Ltd.	7.78	NIL
Mrs. Sippy Jain	964.45	883.80

*Related Parties have been identified by the Management.

Secretarial Compliance Report of
Haryana Leather Chemicals Limited for the year ended 31.03.2024
(*Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

I have conducted review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by HARYANA LEATHER CHEMICALS LIMITED, having its Registered Office at 72-77, HSIIDC, Industrial Estate, Hansi Road, Jind, Haryana-126102. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on 31.03.2024 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

I, Neeraj Gupta, Proprietor of Neeraj Gupta & Associates, Company Secretaries, New Delhi have examined:

(a) all the documents and records made available to us and explanation provided by Haryana Leather Chemicals Limited ("the listed entity"),
(b) the filings/ submissions made by the listed entity to the stock exchanges,
(c) website of the listed entity (www.leatherchem.com),
(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2024 ("review period"), in respect of compliance with the provisions of:
(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -
(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time.
(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the review period)
(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the review period)
(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the period under review.
(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the review period)
(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the review period)
(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(h) The Depositories Act, 1996 read with SEBI (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-Laws framed thereunder;
(i) The Prevention of Money-Laundering Act, 2002 and the Prevision of Money Laundering (Maintenance of Records, etc.) Rules, 2005;

(j) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and circulars/guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

I. (a) the listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action (Advisory /Clarification/ Fine/Show Cause Notice/ Warning, etc.)	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
	--	---	--	--	NIL		--	--	--	

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action (Advisory /Clarification/ Fine/Show Cause Notice/ Warning, etc.)	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remark
NOT APPLICABLE										

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has	NA	During the period under review auditors have not resigned.

	issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.		
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	NA	During the period under review auditors have not resigned.
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where		

	the listed entity/ its material subsidiary has not provided information as required by the auditor.		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019	NA	During the period under review auditors have not resigned.

III. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	
2.	Adoption and timely updation of the Policies: ▪ All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities ▪ All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/guidelines issued by SEBI	Yes	
3.	Maintenance and disclosures on Website: ▪ The Listed entity is maintaining a functional website ▪ Timely dissemination of the documents/ information under a separate section on the website ▪ Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes	
4.	Disqualification of Director: None of the Directors of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	
5.	To examine details related to Subsidiaries of listed entities: (a) Identification of material subsidiary companies	NA	

	(b)Requirements with respect to disclosure of material as well as other subsidiaries		
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI (LODR) Regulations, 2015.	Yes	
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations	Yes	
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI (LODR) Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	Yes	
12.	Additional Non-compliances, if any:	Yes	

	No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.		

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to report based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Neeraj Gupta & Associates
Company Secretaries

Neeraj Gupta
M. No.: F-5720, C.P. No.: 4006

Place: New Delhi
Date: 24/05/2024
UDIN: F005720F000439439
Pear Review No. 1154/2021

FORM MR-3

SECRETARIAL AUDIT REPORT

[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 as amended]

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

To

The Members of the Company
M/s Haryana Leather Chemicals Limited
CIN: L74999HR1985PLC019905
Regd. Office: 72-77, HSIIDC Industrial Estate,
Hansi Road, Jind-126102 (Hr.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company M/s HARYANA LEATHER CHEMICALS LIMITED herein after called the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute 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 financial year commencing from 1st April, 2023 and ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s HARYANA LEATHER CHEMICALS LIMITED (The Company) for the financial year ended on 31st March, 2024, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder

ii. The Securities Contracts (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 (FEMA) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs).-Not applicable.

v. The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):

   a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;-Not Applicable

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company during the financial year under report:

i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

iv. The Securities and Exchange Board of India (Share based Employee benefits) Regulations,2014;

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India, (effective from July 1, 2015)

ii. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI (LODR), 2015).

iii. Employee State Insurance Act 1948 and Employee Provident Funds and Miscellaneous Provision Act 1952.

4. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following:

a) Maintenance of various statutory registers and documents and making necessary entries therein;

b) Closure of the Register of Members/Debenture holders;

c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

d) Service of documents by the Company on its Members, Debenture holders, Debenture Trustees, Auditors and the Registrar of Companies;

e) Notice of Board meetings and Committee meetings of Directors;

f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation, if any;

g) The 38th Annual General Meeting was held on 16th September, 2023;

h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;

i) Approvals of the Members, the Board of Directors, the Committees of Directors and the Government authorities, where ever required;

j) Constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;

k) Payment of remuneration to Directors including the Managing Director and Whole-Time Directors;

l) Appointment and remuneration of Statutory Auditors were duly in compliance with the provisions whereas the appointment of Cost Auditors was not applicable;

m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;

n) Payment of interest on debentures and redemption of debentures - Not Applicable.

o) The Dividend was declared and duly paid to the shareholders during the Year.

p) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;

q) Borrowings and registration, modification and satisfaction of charges wherever applicable;

r) Investment of the Company's funds including inter-corporate loans and investments and loans to others;

s) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;

t) No allotment of equity shares of the Company during the year under audit.

u) Director's report for the FY 2022-23 was duly prepared.

v) Contracts, common seal, registered office and publication of name of the Company;

OBSERVATIONS:

(a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the Company has made all the compliance.

(b) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not applicable to the Company.

(c) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ ADRs or any Commercial Instrument under the financial year underreport.

5. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

6. 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. No changes in the composition of the Board of Directors was taken place during the year under review.

b) Adequate notice is given to all 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 seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting.

c) Majority decision is carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.

7. We further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Neeraj Gupta & Associates
Company Secretaries

NEERAJ GUPTA
Proprietor
FCS No. 5720
CP.No.4006
Place: New Delhi
Date: 14.08.2024
UDIN: F005720F000974512

Annexure-A to Secretarial Audit Report dated August 14, 2024

To
The Members of
M/s. Haryana Leather Chemicals Limited
72-77, HSIIDC Industrial Estate, Hansi Road, Jind-126102 (Hr.)

Our Secretarial Audit Report dated August 14, 2024 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 make a report based on these secretarial records produced for 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. We have obtained the Management s representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This 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 affairs of the Company.

For Neeraj Gupta & Associates
Company Secretaries

NEERAJ GUPTA
Proprietor
FCS No. 5720
CP.No.4006
Place: New Delhi
Date: 14.08.2024

UDIN: F005720F000974512

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members of
Haryana Leather Chemicals Limited
72-77 HSIIDC Industrial Estate Hansi Road,
Jind- 126102 Haryana

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Haryana Leather Chemicals Limited having L74999HR1985PLC019905 and having registered office at 72-77, HSIIDC Industrial Estate, Hansi Road, Jind -126102 Haryana (hereinafter referred to as the Company) produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C sub clause- 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal, as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1	SIPPY JAIN	03189151	10/08/2010
2	VIJAY KUMAR GARG	00236460	22/07/2003
3	NARENDRA KUMAR JAIN	00486730	22/04/1985
4	PRADEEP BEHL	00703855	23/08/2006
5	SANKARANKUTTY VELAYUDHRA KANNADI PARAMBIL MENON	00920088	30/10/1988 (Deceased on 05/04/2024)
6	MASSIMO MEDINI	00926147	24/03/1993
7	MARCO MEDINI	06709885	08/02/2013
8	PANKAJ JAIN	00206564	04/02/2013
9	KANISHK GUPTA	02243899	18/05/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the, based on our verification. This certificate 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 Neeraj Gupta & Associates
Company Secretaries

(Neeraj Gupta)
M. No. F 5720,
C.P. No. 4006
UDIN : F005720F000439692
Place: New Delhi
Date: 24/05/2024

Annexure to the Boards Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2024
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:- L74999HR1985PLC019905
ii) Registration Date: 22.01.1985
iii) Name of the Company: HARYANA LEATHER CHEMICALS LIMITED
iv) PAN: AAACH3955N
v) Category/Sub-Category of the Company: Company Limited by Shares
vi) Address of the registered office and contact details:
72-77. HSIIDC Industrial Estate, Hansi Road, Jind-126102, Haryana
Email id: info@leatherchem.com
Website: www.leatherchem.com
Phone: (01681)226645 Fax No 01681-225101
vii) Whether listed Company Yes/No--- Yes
viii) Name, Address and Contact details of
Registrar and Transfer Agent, if any
Mr. Ravinder Dua
M/s. RCMC Share Registry Pvt. Ltd.
B-25/1, First Floor, Okhla Industrial Area, Phase-ll. NewDelhi-110020
Phones 011-26387320. 26387323 Fax: 011-26387322

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description or of the products/services	NIC Code of the products/ Service	% Total turnover of the company
1.	NOUVOLSR	P1349	12.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares Associate	Applicable Section held
1.	Labotron Instruments Pvt. Ltd. Flat No. 6, Gauri Apartments, 3-4, Rajesh Pilot Lane, New Delhi-110011	U74899DL1991PTC045520	Associate	Nil	2(76)
2.	N.K. Jain Instruments Pvt. Ltd. 2A, Tribune	U85110HR1997PTC033697	Associate	Nil	2(76)

	Colony, Ambala Cantt.-133001, Haryana				
3.	Labotech Microscopes India Pvt. Ltd. Flat No. 6, Gauri Aparments, 3-4, Rajesh Pilot Lane, New Delhi-110011	U36999DL1997PTC084940	Associate	Nil	2(76)
4.	N.K. Jain Holding & Finance Pvt. Ltd.D-142, Anand NIketan New Delhi-110021	U74899DL1994PTC056969	Associate	0.28	2(76)

IV. Shares Holding Patterns (Equity Shares Capital Breakup as percentage of Total Equity):

(i) Category-wise Shares holding

Category of share holders	No. of shares hold at the beginning of the year 01.04.2023				No. of shares held at the End of the year 31.03.2024				Change During The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	%
A. Promoters									
1) Indian									
a) Individual/HUF	918006	-	918006	18.71	918756	-	918756	18.72	0.01
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corp	209860	6000	215860	4.39	200462	-	200462	4.08	(0.31)
e) Banks/ FIIs	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	-	-	-	-	-	-	-	-	-

Sub-total (A) (1)	**1127866**	**6000**	**1133866**	**23.10**	**1119218**	**-**	**1119218**	**22.80**	(0.30)
2) Foreign									
a) NRIs-									
Individuals	138190	-	138190	2.82	138190	-	138190	2.82	-
b) Other									
Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	768470	768470	15.66	-	768470	768470	15.66	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**-**	**768470**	**906660**	**18.48**	**138190**	**768470**	**906660**	**18.48**	-
Total Share Holding of Promoters (A)=(A) (1)+ (A)(2)	**1266056**	**774470**	**2040526**	**41.59**	**1257408**	**768470**	**2025878**	**41.28**	**(0.30)**
b. Public share holding									
1) Institutions									
a) Mutual Funds	-	3900	3900	0.08	-	3900	3900	0.08	-
b) Banks/Fi	-	3600	3600	0.07	-	3600	3600	0.07	-
c) Central Govt.	2900	-	2900	0.06	2900	-	2900	0.06	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds		-	-	-	-	-	-	-	-
f) Insurance Companies		-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	**2900**	**7500**	**10400**	**0.21**	**2900**	**7500**	**10400**	**0.21**	**-**

2) Non-Institutions									
a) Bodies Corp	38032	19100	57132	1.16	72296	2600	74896	1.53	0.37
j) Indian									
ii) Overseas									
b) Individuals									
1) Individual Share holders Holding nominal Share capital Upto Rs. 2 Lakh	1045705	293090	1338795	27.28	1029030	274040	1303070	26.55	(0.73)
ii) Individual Share Holders holding nominal share Capital in excess of Rs. 2 Lakh	1189448	-	1189448	24.23	1232922	-	1232922	25.12	0.89
c) Any other	-	-	-	-	-	-	-	-	-
i) NRI s/OCBs	28789	200	28989	0.59	18198	200	18398	0.37	(0.22)
ii) Clearing Member	274	-	274	0.01	-	-	-	-	(0.01)
iii) Foreign	-	-	-	-	-	-	-	-	-
iv) Trusts	-	-	-	-	-	-	-	-	-
v) Foreign Portfolio Investment Corp.	-	-	-	-	-	-	-	-	-
vi) IEPF Account	242906	-	242906	4.95	242906	-	242906	4.95	-
NBFCs Registered with RBI	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	**2545154**	**312390**	**2857544**	**58.22**	**256840**	**312390**	**2852192**	**58.52**	**0.30**
Total Public									

Shareholding (B) =(B)(1)+(B) (2)	**2548054**	**319890**	**2867944**	**58.43**	**2598252**	**284340**	**2882592**	**58.73**	**0.30**
Shares help For by Custodian GDRs & ADRs									
Grand Total (A+B+C)	**3814110**	**1094360**	**4908470**	**100**	**3855660**	**1052810**	**4908470**	**100**	**-**

ii) Shares holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2023			Shareholding at the end of the year 31.03.2024			
		No. of Shares	% of total Share of the company	% of shares Pledged Encumb-ered to total shares	No. of Shares	% of total Shares Of the Company	% of Shares Pledged encumbered to total shares	% change in Share holding during during the year
1.	ICAP SIRA Chemicals & polymers Spa	768470	15.66	0	768470	15.66	0	0.00
2.	Pankaj Jain	751780	15.32	0	752530	15.33	0	0.01
3.	Sippy Jain	153626	3.13	0	153626	3.13	0	0.00
4.	Savita Aggarwal	138190	2.82	0	138190	2.82	0	0.00
5.	Munak Holdings Limited	113382	2.31	0	113282	2.31	0	0.00
6.	Munak Engineers Pvt. Ltd.	16098	0.33	0	800	0.02	0	(0.31)
7.	Munak Credit & Investment Private Limited	64980	1.32	0	64980	1.32	0	0.00

8.	N. K. Jain Holdings & Fin. Pvt. Ltd.	13900	0.28	0	13900	0.28	0	0.00
9.	Vijay kumar Garg Contractor Pvt. Ltd.	7500	0.15	0	7500	0.15	0	0.00
10.	Manik Jain	7300	0.15	0	7300	0.15	0	0.00
11.	Ratnam Jain	5300	0.11	0	5300	0.11	0	0.00
	Total	2040526	41.58	0	2025878	41.28	0	(0.30)

iii) Changes in Promoters Shares holding (Please Specify, if there is no change)

Sr. No.	Shareholder s Name	Shareholding at the Beginning of the year		Shareholding at the end of the year		
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	% change in share holding during the year
1.	Munak Engineers Pvt. Ltd.	16098	0.33	800	0.02	(0.31)
2.	Pankaj Jain	751780	15.32	752530	15.33	0.01

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):

Sl No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	SANGEETHA S					
	At the beginning of the year 01/04/2023		250230	5.1	250230	5.1

	At the end of the year 31/03/2024				250230	5.1
2	INVESTOR EDUCATION AND PROTECTION FUND AUTHOR					
	At the beginning of the year 01/04/2023		242906	4.95	242906	4.95
	21/07/2023	Transfer				
	At the end of the year 31/03/2024				242906	4.95
3	URMIL MAHASUKH GOPANI					
	At the beginning of the year 01/04/2023		230112	4.69	230112	4.69
	21/04/2023	Transfer	2384	0.05	232496	4.74
	12/05/2023	Transfer	-1908	-0.04	230588	4.70
	At the end of the year 31/03/2024				230588	4.70
4	MAHENDRA GIRDHARILAL					
	At the beginning of the year 01/04/2023		163717	3.34	163717	3.14
	At the end of the year 31/03/2024				163717	3.34
5	NARVEER YADAV					
	At the beginning of the year 01/04/2023		137000	2.79	137000	2.79
	At the end of the year 31/03/2024				137000	2.79
6	CHOKKARAPU ANITHA					
	At the beginning of the year 01/04/2003		61341	1.25	61341	1.25
	30/06/2023	Transfer	-931	-0.02	60410	1.23
	14/07/2023	Transfer	-5000	-0.1	55410	1.13
	04/08/2023	Transfer	-10488	-0.21	44922	0.92
	11/08/2023	Transfer	-3000	-0.06	41922	0.85
	12/01/2024	Transfer	-3271	-0.07	38651	0.79
	01/03/2024	Transfer	-2000	-0.04	36651	0.75

	At the end of the year 31/03/2024				36651	0.75
7	PARUL SANJAY SHAH					
	At the beginning of the year 01/04/2023		57055	1.16	57055	1.16
	At the end of the year 31/03/2024				57055	1.16
8	JASMINE PRAVIN AJMERA					
	At the beginning of the year 01/04/2023		54294	1.11	54294	1.11
	17/11/2023	Transfer	286	0.01	54580	1.11
	At the end of the year 31/03/2024				54580	1.11
9	PRATIK RAJENDRABHAI GANDHI					
	At the beginning of the year 01/04/2023		49200	1	49200	1
	At the end of the year 31/03/2024				49200	1
10	DHARMESH GOPALJI BHANUSHALI					
	At the beginning of the year 01/04/2023		44525	0.91	44525	0.91
	07/07/2023	Transfer	1	0	44526	0.91
	01/12/2023	Transfer	-1	0	44525	0.91
	At the end of the year 31/03/2024				44525	0.91
11	TRUPTI H GOPANI					
	At the beginning of the year 01/04/2023		0	0	0	0
	29/12/2023	Transfer	1500	0.03	1500	0.03
	05/01/2024	Transfer	6004	0.12	7504	0.15
	12/01/2024	Transfer	7790	0.16	15294	0.31
	19/01/2024	Transfer	10675	0.22	25969	0.53
	26/01/2024	Transfer	6180	0.13	32149	0.65
	02/02/2024	Transfer	18954	0.39	51103	1.04

	15/03/2024	Transfer	4908	0.1	56011	1.14
	At the end of the year 31/03/2024				56011	1.14
12	O L H C OF A P A/C ITC AGROTECH FINANCE AND I					
	At the beginning of the year 01/04/2023		0	0	0	0
	30/06/2023	Transfer	245806	5.01	245806	5.01
	21/07/2023	Transfer	-245806	-5.01	0	0
	29/12/2023	Transfer	2900	0.06	2900	0.06
	12/01/2024	Transfer	-2900	-0.06	0	0
	At the end of the year 31/03/2024				0	0

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Share holder s name	Shareholding at the beginning of the year		Shareholding at the end of the year		
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	% change in shareholding during the year
1.	Narendra Kumar Jain	-	-	-	-	-
2.	Pankaj Jain	751780	15.32	752530	15.33	0.01
3.	Sippy Jain	153626	3.13	153626	3.13	-
4.	*Kannadiparambil Sankarankutty Velayudha Menon	-	-	-	-	-
5.	Pradeep Bahl	-	-	-	-	-

6.	Vijay Kumar Garg	-	-	-	-	-
7.	Massimo Medini	-	-	-	-	-
8.	Kanishk Gupta	-	-	-	-	-
9.	Marco Medini	-	-	-	-	-

*Dr, K.S.V. Menon Deceased on 05.04.2024

(vi) Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Rs. in thousands)
Indebtedness at the beginning of the financial year				
i) Principal Amount	6066.44	-	-	6066.44
ii) Interest due but not pad	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6066.44	-	-	6066.44
Change in Indebtedness during the Financial year				
Addition	-	-	-	-
Reduction	3290.44	-	-	3290.44
Net Change	3290.44	-	-	3290.44
Indebtedness at the end of the financial year				
i) Principal Amount	2776.00	-	-	2776.00
ii)Interest due but not paid	-	-	-	-

iii)Interest accrued not due	-	-	-	-
Total (i+ii+iii)	2776.00	-	-	2776.00

i) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-Time Directors and/or Managers: (Yearly Basis)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (in Rs.)
		Mr. Pankaj Jain, Managing Director In Rs. per year	Mrs. Sippy Jain, Whole-time Director In Rs. per year	Ms. Silu Nanda, Company Secretary In Rs. per year	
1.	Gross Salary				
a)	Salary as per provisions Contained in section 17(1) of the Income-tax Act, 1961	46,20,000	-	1,85,040	
b)	Value of perquisites u/s 17(2) (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat equity	-	-	-	-
4.	Commission -as of profit other, specify	-	-	-	-
5.	Others, please specify Sitting Fees (p.a.)	60,000/- (Medical)	14,58,000 (Consultancy)	-	-
	Total (A)	**46,80,000**	**14,58,000**	**1,85,040**	
	Ceiling as per the Act (Sec.197)	Within ceiling limit			

B. Remuneration to Other Directors (Yearly Basis):

*Dr, K.S.V. Menon Deceased on 05.04.2024

Sr. No.	Particulars of Remuneration	Name of Directors							Total amount (Rs.)
		Narendra Kumar Jain	Kannadi Parambilsankaran Kutty Velayudha Menon	PradeepBehl	Vijay Kumar Garg	Massimo Medini	Kanishk Gupta	Marco Medini	
1	Independent Directors Fee for attending board/committee meetings Commission Others please specify	- -	32,000 -	32,000 -	- -	- -	8000	- -	72,000 -
	Total (1)		**32,000**	**32,000**	**-**	**-**	**8000**	**-**	**72,000**
2	Other Non-Executive Directors Fee for attending board/committee meetings commission Others please specify Total (2)	- - - -	- - - -	- - - -	- - - -	- - - -	- - - -	- - - -	- - - -
	Total (8)=(1+2)	**-**	**32,000**	**32,000**	**-**	**-**	**8000**	**-**	**72,000**
	Total Managerial Remuneration								
	Overall Ceiling as per the Act		Within ceiling limit						

C. Remuneration to Key Managerial Personnel other than Managing Director, whole-time Directors and/or Managers: CHIEF FINANCIAL OFFICER (Year Basis)

Sr. No.	Particulars of Remuneration	Name of KMP	Total Amount Rs.
1	Gross salary a) salary as per provisions contained in section 17(1) of the Income-tax Act. 1961 b) profits in lieu of salary under section 17 (3) Income-tax Act,1961	SUKANTO CHOUDHURY	10,44,144/-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission as of profit others, specify	-	-
5.	Others, please specify	-	96,000/- (Conveyance) 39,600/- (Medical)
	Total (A)	**-**	**11,79,744/-**

vi) Penalties/punishment/compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ compounding fees imposed	Authority (RD/NCLT-1 Court)	Appeal made. If any (give details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Other officers in default

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors of Haryana Leather Chemicals Limited

Place: Gurugram
Dated: 28th August, 2024

NARENDRA KUMAR JAIN
Chairman

(DIN: 00486730)

PANKAJ JAIN
Managing Director-cum-
Vice Chairman
(DIN: 00206564)

CORPORATE GOVERNANCE

Based on Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 with BSE (Bombay Stock Exchange Limited) and some of the best policies followed on Corporate Governance, the report containing the details of Corporate Governance systems and processes at Haryana Leather Chemicals Limited is as follows

1. Company's Philosophy on Corporate Governance:

Good Governance ensures adoption of best business practices, and accountability of the person's in-charge of the Company's operations. The Directors of Yours Company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the Company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency professionalism and accountability in all its operations.
Our belief in good corporate citizenship enshrined in the Company's Code of Conduct, its policies, compliance with law and robust internal control systems, which are subjected to regular assessment drives it effectiveness, reinforces integrity of management and fairness in dealing with all the stakeholders This meets with all statutory and regulatory compliance including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Fameless to shareholders and common bodies, transparency, disclosures and accountability has been the guiding philosophy on Company’s day today and long term operational goals.

Company Policies:

At Haryana Leather Chemicals Limited, the Company strive to conduct its business and strengthen its relationship in a manner that is distinctive, dignified and responsible. The Company adheres to the ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stake holders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are as follows:

- Code of Board of Directors and Board Committees.
- Code of conduct for prohibition of insider trading.
- Code of business conduct and Ethics for management personnel.
- Code of business policies.
- Values and commitments.
- Health, safety and Environment policies
- Code of Financial Reporting Disclosure & Transparency

2 Role of Company Secretary in overall governance process:

The Company Secretary plays a key role in ensuring that the Board and Committee procedures are followed and reviewed regularly The Company Secretary is primarily responsible for assisting and advising the Board in conducting the affairs of the Company and to ensure the compliances with applicable statutory requirements to provide guidance to Directors and to facilitate convening of Meetings. The Company Secretary ensures that the management of the Company should get the proper and relevant information and details for the proper functioning of the Company

3. Board of Directors:

The Board of Directors of the Company are constituted incompliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and in accordance with the best practices of Corporate Governance The Board of Directors consists of Nine Directors, One Executive Director and Seven non-executive Directors. Out of the seven non-executive Directors, two are nominees of the collaborators Le., ICAP Sira Chemicals & Polymers Spa, Italy The Board normally meets once in every quarter. During the year the Board of Directors met five times on 25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024.

The Composition of the Board of Directors and attendance record for the financial year ended 31.03.2024 is as follows:

ii) Penalties/punishment/compounding of offences:

Director	Category	Other Director -ships held	Memberships in Committees of Board	No. of Board meeting attended	Whether attended AGM held on 16.09.2023
Pankaj Jain	Executive	3	-	4	Yes
Sippy Jain	Executive	-	-	3	Yes
N.K. Jain	Non-Executive	4	-	3	No
V.K. Garg	Non-Executive	3	-	-	No
K. S. V. Menon***	Independent	-	3	4	No
Massimo Medini**	Independent	-	-	-	No
Marco Medini**	Independent	-	-	-	No
Pradeep Behl	Independent	-	3	4	No
Kanishk Gupta	Independent	2	3	1	No

** Represents collaborator M/s. ICAP Sira Chemicals & Polymers Spa, Italy.

*** Dr. K.S.V. Menon Deceased on 05.04.2024

The detailed list of Company names in which the Directors hold Directorship, Membership/ Chairmanship of Board Committees are as follows:

PANKAJ JAIN (DIN: 00206564)

Sl. No	CIN LLPIN	Name of the Company /LLP	Designation	Original date of appointment	Date of appointment at current designation
1.	L74999HR1985PLC019905	Haryana Leather Chemicals Limited	Managing Director	22.04.1985	04.02.2013
2.	U85110HR1997PTC033697	N. K. Jain Instruments Pvt. Limited	Director	29.08.1997	29.08.1997
3.	U36999DL1997PTC084940	Labotech Microscopes India Private Limited	Director	30.09.2000	30.09.2000
4.	U74899DL1994PTC056969	N. K. Jain Holdings & Finance Private Limited	Director	16.11.2009	30.09.2017

VIJAY KUMAR GARG (DIN: 00236460)

Sl. NO	CIN/LLPIN	Name of the company /LLP	Designation	Original date of appointment	Date of appointment at current designation
1.	U45201CH1979PTC003954	Vijay Kumar Garg contractor Pvt. Limited	Managing Director	30.03.1979	30.03.1979
2.	U29219CH1983TC005493	Munak credit & investment Pvt. Ltd	Managing Director	06.07.1983	01.07.2024
3.	U67120CH1986LC006688	Munak holding limited	Diretor	06.12.1993	06.12.1993
4.	L74999HR1985LC019905	Haryana leather chemical Limited	Director	22.07.2003	22.07.2003

NARENDER KUMAR JAIN (DIN: 00486730)

Sl. No.	CIN/ LLPIN	Name of the Company/LLP	Designation	Original date of appointment	Date of appointment at current designation
1.	L7999HR1985PTC019905	Haryana Leather Chemicals Limited	Director	22.04.1985	22.04.1985
2.	U74899DL1991PTC045520	Labotron Instruments Pvt. Limited	Director	18.01.1994	18.01.1994

3.	U74899DL1994PTC056969	N. K. Jain Holdings & Finance Pvt. Limited	Diretor	18.01.1994	18.01.1994
4.	U85110HR1997PTC033697	N.K. Jain Instrument Pvt. Ltd	Director	29.08.1997	29.08.1997
	U36999DL1997PTC084940	Labotech Microscope India Pvt. limited	Director	30.09.2000	30.09.2000

PRADEEP BEHL (DIN: 00703855)

Sl. NO	**CIN/LLPIN**	**Name of the company/LLP**	**Designation**	**Original date Of Appointment**	**Date of Appointment At current Designation**
1.	L74999HR1985PLCO19905	Haryana Leather Chemical Limited	Director	23.08.2006	23.08.2006

Apart from the Directorship in the company Mr. Pradeep Behl is also the Member of the following Board Committees in Haryana Leather chemicals Limited.
1. Audit committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee

***DR. K.S.V. MENON (DIN:00926147)**

Sl. No.	**CIN/LLPIN**	**Name of the company/LLP**	**Designation**	**Original date of Appointment**	**Date of Appointment At current Designation**
1.	L74999HR1985PLCO19905	Haryana leather chemical limited	Director	24.03.1993	24.03.1993

Apart from the Directorship in the Company Dr. Menon is also the Chairman of the following Board Committees in Haryana Leather chemicals Limited.
1. Audit committee

2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
*** Dr. K.S.V. Menon Deceased on 05.04.2024

MASSIMO NEDINI (DIN; 00926147)

Sl. NO	CIN/LLPIN	Name of the company/LLP	Designation	Original date of Appointment	Date of Appointment At current Designation
1.	L74999HR1985PLCO19905	Haryana leather chemical limited	Director	24.03.1993	24.03.1993

SIPPY JAIN (DIN: 03189151)

Sl. No.	CIN/LLPIN	Name of the company/LLP	Designation	Original date of Appointment	Date of Appointment At current Designation
1.	L74999HR1985PLCO19905	Haryana leather chemical limited	Whole Time Director	10.08.2010	17.09.2010
2.	U74899DL1994PTC056969	N. K. Jain Holdings & Finance Private Limited	Whole Time Director	24.06.2024	24.06.2024

MARCO MEDINI (DIN: 06709885)

Sl. No.	CIN/LLPIN	Name of the company/LLP	Designation	Original date of Appointment	Date of Appointment At current Designation
1.	L74999HR1985PLCO19905	Haryana leather chemical limited	Director	08.02.2013	08.02.2013

KANISHK GUPTA (DIN: 02243899)

Sl. No.	CIN/LLPIN	Name of the company/LLP	Designation	Original date of Appointment	Date of Appointment At current Designation
1.	L74999HR1985PLCO19905	Haryana Leather Chemical Limited	Director	18.05.2019	18.05.2019
2.	U24233HR2008PTC038480	Liberty Life Science Private Limited	Director	03.11.2008	03.11.2008
3.	U52110HR2008PTC038502	Smart Life Style Retailing Pvt. Limited	Director	12.11.2008	12.11.2008

Apart from the Directorship in the Company Mr. Kanishk Gupta is also the Chairman of the following Board Committees in Haryana Leather chemicals Limited.
1. Audit committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee

***CHINAR GOEL (DIN: 07610985)**

Sl. No.	CIN/LLPIN	Name of the company/LLP	Designation	Original date of Appointment	Date of Appointment At current Designation
1.	L74999HR1985PLCO19905	Haryana leather chemical limited	Director	09.08.2024	09.08.2024
2.	U74999DL2016PTC305683	Love Earth Private Limited	Director	09.09.2016	09.09.2016

*Mr. Chinar Goel was appointed on 09.08.2024

** Ritu Atri (DIN: 09596000) and Pradeep Kumar Verma were appointed as Independent Non-executive Directors on 28.08.2024

4. Audit Committee:

The Company has an independent Audit Committee. The composition, procedure, Role/Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief terms of reference of the Audit Committee include the following:

- Overseeing the company s financial report process and the disclosure of its financial information.
- To review quarterly, half year and financial result before submission to the board.
- To review the statement of significant related party transaction submitted by the management.
- To review the adequacy of internal control system with the management, external &internal auditors.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred by the board.

The audit committee of the company has the following members:

1. Dr. K S V Menon—Chairman*
2. Mr. Kanishk Gupta - Members
3. Mr. Pradeep Behl – Member

* Dr. K S V Menon Deceased on 05.04.2024

The composition, role, function of the committee complies with the requirement of the companies Act, 2013
As well as those of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015
The brief terms of reference areas required under Listing Agreement:
During the year the committee met on 25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024
The attendance of the members of the committee is as follows:

Name of Director	**Details of Attendance**
Dr. K. S. V.Menon	25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024
Mr. Kanish Gupta	25.05.2023
MR. Pradeep Behl	25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024

*** Dr. K.S.V. Menon Deceased on 05.04.2024

5. Nomination and Remuneration Committee:

The Company has constituted Nomination and Remuneration committee consisting of three independent Directors, The Nomination and Remuneration committee of the company has the following members:

1. Dr. K S V Menon –Chairman*
2. Mr. Kanishk Gupta –member
3. Mr. Pradeep Behl –Member

4. The brief terms of reference of the committee

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of independent Directors and the Board
- To identify persons who are qualified to become Directors and who may be appointed in senior Management in accordance the criteria laid down in this policy
- To carry out evaluation of every Director s performance.
- To recommend to the Board the appointment and removal of Directors and senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial personnel and
- Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment for modification, as may be applicable.

All Directors except Mr. Pankaj Jain Managing Director and Sippy Jain Whole-Time Director receive only sitting Fee. The Remuneration package of Mr. Pankaj Jain Managing Director for year 2023-24 is given below:

All elements of remuneration	Rs. 46.80 Lakh*
Fixed Portion	-
Performance Incentive	Nil
Criteria of performance incentive	N/A
Period of	Re-appointed on 04.02.2022 for three years
Notice period	Nil
Severance Fees	Nil
Stock Option	Nil

The remuneration package of M/s. Sippy Jain, whole-time Director for the year 2023-24 is given below:

All elements of remuneration	Nil
Fixed Portion	Nil
Performance Incentive	Nil
Criteria of performance incentive	N/A
Period of	N/A
Notice period	Nil
Severance Fees	Nil
Stock Option	Nil

*Other than the fixed portion of remuneration the Managing Director is entitled for contribution to provident fund & leave encashment at the end of the tenure.
During the year the committee met on 25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024
The attendance of the members of the committee is as follows;

Name of Director	Details of Attendance
Dr. K.S.V. Menon	25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024
Mr. Kanishk Gupta	25.05.2023
Mr. Pradeep Behl	25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024

* Dr. K.S.V. Menon Expired on 05.04.2024

6. Stakeholder Relationship Committee

The Board has constituted stakeholder Relationship Committee in accordance with provisions of the companies Act. 2023 and SEBI (Listing Obligations and disclosure Requirements) Regulations. 2015.
The Stakeholder Relationship Committee of the Company has the following members;

1. Dr. K .S. V. Menon	Chairman
2. Mr. Kanishk Gupta	Member
3. Mr. Pradeep Behl	Member

The committee has been looking to the transfer of Equity Share/transmission of Equity Shares/issuance of duplicate Equity Share certificates, complaints received form the shareholder of the Company and other Allied connected matters.
During the year the committee met on 25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024

Name of Director	Details of Attendance
Dr. K.S.V. Menon	25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024
Mr. Kanishk Gupta	25.05.2023
Mr. Pradeep Behl	25.05.2023, 28.07.2023, 10.11.2023 and 10.02.2024

* Dr. K.S.V. Menon Deceased on 05.04.2024

7. The Composition of the committee is as follows:

Name of non-executive Director Heading the committee	Dr. K.S. V. Menon
Compliance Officer	Mrs. Silu Nanda. Company secretary

No. of complaints received during the year 2023-24	
Shareholders	Nil
Stock Exchange	Nil
SEBI	Nil
NSDL	Nil
CDSL	Nil
Complaints not solved to the Satisfaction of shareholders	Nil
Complaints Pending on 31.03.2024	Nil

* Dr. K.S.V. Menon Deceased on 05.04.2024

8. Independent Directors Meeting

A separate meeting of independent Directors was held on 25th May, 2023 without the attendance of Non- Independent Directors and members of the management to review the performance of Non-Independent Information between the company Management and the Board as a whole and it's Chairman and assess the quality, quality and timeliness of flow of information between the Company Management and the Board.
Details of attendance of the members at the said meeting are given below:

1. Dr. K .S. V. Menon	Chairman
2. Mr. Kanishk Gupta	Member
3. Mr. Pradeep Behl	Member

9. Familiarization programme for Independent Directors:

The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarize with the Company's procedures and practices. The Independent Directors are taken for visit to Company's plants/units, to enable them to have full understanding of manufacturing operations & processes of the Company and the industry in which it operates Periodic presentations are made at the Board meetings on business and performance updates of the Company business strategy and risks involved

10. General Body Meetings

Location, time and date of last three Annual General Meetings are:

Date	Time	Location
16.09.2023	12.30 p.m.	72-77, HSIIDC Industrial Estate. Hansi Road, Jind-126102, Haryana.
24.09.2022	12.30 p.m.	72-77, HSIIDC Industrial Estate. Hansi Road, Jind-126102, Haryana.
25.09.2021	12.30 p.m.	72-77, HSIIDC Industrial Estate. Hansi Road, Jind-126102, Haryana.

11. Disclosures

a. There were no material transactions with Directors or the Management or their relatives having potential conflicts with the interest of the Company at large

b. There has not been any type of penalties or strictures were imposed on the Company by stock exchange or SEBI or any statutory authority on any matters related to the capital market during the last year

c. The Company Secretary records minutes of proceedings of each Board and Committee meeting, Drafts minutes are circulated to the Board/Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusions of the meeting.

12. Means of Communication

The Company adopts the quarterly financial results as per the format prescribed by the stock exchange and is immediately sent to Bombay Stock Exchange, Mumbai. The quarterly results are also published in newspapers Financial Express, Mumbai and Jansatta, Chandigarh and are also available in Company's website. The Management Discussion and Analysis Report is part of the Annual Report.

13. General Shareholder Information

a. Annual General Meeting (AGM): The Company's AGM will be held on 28.09.2024 at 12:30 pm at the Registered Office of the Company at 72-77. HSIIDC Industrial Estate, Hansi Road, Jind -126102 (Haryana).

b. Financial Calendar: April to March,

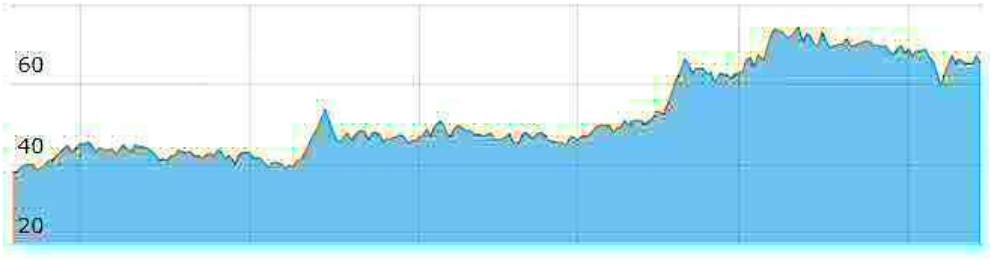
c. Date of Book Closure: 21.09.2024 to 28.09.2024 (both days inclusive)

d. Dividend Pay-out dates: on or after 29th day of September, 2024

e. Listing of Stock Exchanges: Mumbai Stock Exchange Limited.

f. Stock Code BSE: 524080.

g. Market Price Data: The shares of the Company quoted at Bombay Stock Exchange between Rs 38.05 to Rs. 74.08 during the year 2023-24



h. **Registrar and Transfer Agents**: RCMC Share Registry (P) Ltd., B-25/1, First Floor, Okhla Industrial Area Phase-II, New Delhi-110020

The share Transfer System: Company's Registrar & Share Transfer Agents is handling the both physical and electronic share transfer related job Depository Participants National Securities Depository Limited (NSDL) and Central Depository Services (India) Lid. (CDSL)

g. Weblinks to:

Details of its business	https://www.leatherchem.com/about/
Board of Directors	https://www.leatherchem.com/board-of-directors/
Terms and conditions of appointment of Independent Directors	https://www.leatherchem.com/wp-content/uploads/2023/03/Terms-and-conditions-of-appointment-of-Independent-Directors.pdf
Composition of various committees of Board of Directors	https://www.leatherchem.com/wp-content/uploads/2023/03/Composition-of-various-committees-of-Board-of-Directors.pdf
Code of conduct of Board of Directors and Senior Management Personnel	https://www.leatherchem.com/wp-content/uploads/2023/03/Code-of-conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf
Whistle Blower policy	https://www.leatherchem.com/wp-content/uploads/2023/03/Whistle-Blower-Policy.pdf
Criteria of making payments to Non-executive directors	https://www.leatherchem.com/wp-content/uploads/2023/03/Criteria-of-Making-payment-to-non-executive-directors.pdf
Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions	https://www.leatherchem.com/wp-content/uploads/2023/03/Policy-on-Materiality-of-Related-Party-Transactions-and-on-Dealing-with-Related-Party-Transactions.pdf
Policy for determining 'Material' subsidiaries	https://www.leatherchem.com/wp-content/uploads/2023/03/Policy-for-determining-%E2%80%98Material%E2%80%99-subsidiaries.pdf

Details of familiarization programmes imparted to Independent Directors	https://www.leatherchem.com/wp-content/uploads/2023/03/Details-of-familiarization-programmes-imparted-to-Independent-Directors.pdf
Email address for grievance redressal and other relevant details	https://www.leatherchem.com/wp-content/uploads/2023/03/Email-address-for-grievance-redressal.pdf
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	https://www.leatherchem.com/wp-content/uploads/2023/03/Equity-Investor-Services-Cell.pdf
Financial information including: i. Notice of meeting of the board of directors where financial results shall be discussed ii. Financial results iii. Annual Report	i. https://www.leatherchem.com/board-and-general ii. https://www.leatherchem.com/quarterly-results/l-meetings/ iii. https://www.leatherchem.com/annual-reports/
Shareholding pattern	https://www.leatherchem.com/shareholding-pattern/
Details of agreements entered into with the Media companies and/or their associates	https://www.leatherchem.com/investor-relations/
Schedule of analyst or institutional investor meet and presentations made to analysts or institutional investors: i. Schedule of analyst or institutional investor meet ii. Presentations made to analysts or institutional investors	https://www.leatherchem.com/investor-relations/

New name and the old name of the listed entity for a continuous period of one year, from the date of the last name change	https://www.leatherchem.com/investor-relations/
All credit ratings obtained by the entity for all its outstanding instruments	https://www.leatherchem.com/investor-relations/
Audited Financial Statements of Subsidiaries Companies	https://www.leatherchem.com/investor-relations/
Advertisements in Newspapers as per Regulation 47(1)	https://www.leatherchem.com/board-and-general-meetings/
Secretarial Compliance Report under Regulation 24A	https://www.leatherchem.com/secretarial-compliance-report/
Disclosure of the policy for determination of materiality of events or information	https://www.leatherchem.com/wp-content/uploads/2023/03/Disclosure-of-the-policy-for-determination-of-materiality-of-events-or-information.pdf
Disclosure of Contact Details of Key Managerial Personnel as required under sub-regulation (5) of Regulation 30	https://www.leatherchem.com/wp-content/uploads/2023/03/Compliance-Officer.pdf
Disclosures under sub-regulation (8) of Regulation 30	https://www.leatherchem.com/board-and-general-meetings/
Statement of Deviation (s) or Variation (s) as specified in Regulation 32	https://www.leatherchem.com/investor-relations/
Dividend Distribution Policy under Regulation 43A	https://www.leatherchem.com/wp-content/uploads/2023/03/Dividend-Distribution-Policy.pdf
Annual Return as provided under section 92 of the Companies Act, 2013.	https://www.leatherchem.com/wp-content/uploads/2023/03/Form_MGT_7-HLCL-2022-1.pdf
Disclosure under Regulation 62 of SEBI (LODR) Regulations	https://www.leatherchem.com/investor-relations/

Important Announcement to Physical Shareholders	https://www.leatherchem.com/wp-content/uploads/2023/05/Important-Announcement-to-Physical-Shareholders-.pdf

Distribution of Shareholdings:

Distribution of Shareholdings as on 31.03.2024

Share holding of value of Rs.	No. of Share Holders	% of Shareholders To	No. of Shares held Total	Amount Rs.	% to Total
0-5000	3015	86.27	426913	4269130.00	8.70
5001-10000	222	6.35	183110	1831100.00	3.73
10001-20000	105	3.00	156026	1560260.00	3.18
20001-30000	43	1.23	107086	1070860.00	2.18
30001-40000	27	0.77	95303	953030.00	1.94
40001-50000	21	0.60	98960	989600.00	2.02
50001-100000	26	0.74	194869	1948690.00	3.97
100001 & above	36	1.03	3646203	36462030.00	74.28
Total	3495	100	4908470	49084700.00	100

Category	No. of shareholders	No. of shares	Percentage
Promoters (including Foreign collaborator)	11	20,25,878	41.27
Public	3483	28,82,592	58.73
Total	3494	49,08,470	100.00

Share holding pattern of the promoters and promoters Group as on 31.03.2024

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2023				Shareholding at the end of the year of the year 31.03.2024		
		No. of Shares	% of total Shares Of the	% of shares Pledged Encum-	No. of Shares	% of total Shares Of the	% of Shares Pledged	% change In share Holding

			company	bered to total * shares		compa ny	Encum- Bered To total shares	During the year
1.	ICAP SIRA chemicals & Polymers SpA	768470	15.66	0	768470	15.66	0	0
2.	Munak Holding Ltd.	113382	2.31	0	113282	2.31	0	(0.002)
3.	Manik Jain	7300	0.15	0	7300	0.15	0	0
4.	Munak Credit & Investment Private limited	64980	1.32	0	64980	1.32	0	0
5.	Munak Engineers Pvt. Ltd	16098	0.33	0	800	0.02	0	(0.30)
6.	N.K. Jain Holdings & Finance Pvt. Ltd.	13900	0.28	0	13900	0.28	0	0
7.	Pankaj Jain	751780	15.32	0	752530	15.33	0	0.01
8.	N.K. jain	0	.	0	0	.	0	0
9.	Ratnam Jain	5300	0.11	0	5300	0.11	0	0
10.	Savita Aggarwal	138190	2.82	0	138190	2.82	0	0
11.	Sippy Jain	153626	3.13	0	153626	3.13	0	0
12.	Vijay Kumar Garg Contractor Pvt. Ltd	7500	0.15	0	7500	0.15	0	0
	total	**2040526**	**41.58**	**0**	**2025878**	**41.28**	**0**	**(0.30)**

Shares holding patterns as on 31.03.2024

Category	**No. of share holders**	**No. of share holders**	**Percentage**
Mutual Funds	2	3900	0.08
Financial institution/Banks	2	3600	0.07
Central/state Government	1	2900	0.06

Body Corporates	28	74896	1.53
Clearing members	0	0	0
Non resident	27	18398	0.37
Individual holding share upto Rs.2 Lakh	3405	1303070	26.55
Individual holding share above Rs.2 Lakh	17	1232922	25.12
NBFCs register with RBI	-	-	-
IEPF account	1	242906	4.94
Total	**3483**	**2882592**	**58.73**

Dematerialization and Liquidity: The shares of the Company is dematerialized and the ISIN for demat is: INE681F01018.
Registered Office and Plant Location: Plot No. 72-77, HSIIDC, Industrial Estate, Hansi Road, Jind, Haryana – 126102,
Corporate Office : 145-B, Signature Towers, South City – I, Gurugram – 122001, Haryana.

CODE OF CONDUCT
The Company has adopted code of conduct for members of the Board and Senior Management personnel of the Company. The Code lays down, in details, the standard of business conduct, ethics and governance. The Compliance of the same has been affirmed and a declaration by the Management to this effect is given below.

DECLARATION
As provided under SEBI (Listing Obligations and Disclosure Requirement, 2015, all Board Members and Senior Management personnel have affirmed compliance the Company Code of conduct for the year ended 31st March, 2024.

For and on behalf of the Board of Directors of Haryana Leather Chemicals Limited

Place: Gurugram
Dated: 28th August, 2024

NARENDRA KUMAR JAIN
Chairman

(DIN: 00486730)

PANKAJ JAIN
Managing Director-cum-
Vice Chairman
(DIN: 00206564)

CEO CERTIFICATION

A stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: whereby certify that:

a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2024 and that to the best of our knowledge and belief:

I) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

II) These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations,

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year by ended on 31st March, 2024 which are fraudulent, illegal or violative of the Company s code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee

I) Significant changes, if any, in internal control over financial reporting during the year,

ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement and

iii) instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company s internal control system over financial reporting

For Haryana Leather Chemicals Ltd.

PANKAJ JAIN
Managing Director-cum-Vice Chairman

CODE OF CONDUCT

DIRECTORS AND SENIOR MANAGEMENT

Applicable to all Directors and Senior Management of the Company, all Board members including Managing Director and Senior Management who are members of the core management team i.e. all executives who are one level below the Directors including at functional heads.
The Board after finalizing the Code of Conduct and after approval stall arrange to get it posted on the website of the Company.
All Board Members and Senior Management Executives shall affirm the compliance of the Code of Conduct on an annual basis. Annual Report of the Company shall contain this fact signed by the CEO.

General Policy

The Company's philosophy of Corporate Governance is reflected in the commitment of management, which objectively works, realizing and accepting its responsibilities towards shareholders, society and the country. The management's endeavor is to maintain transparency, optimize operational efficiency and retain high level of credibility with the shareholders, creditors and the government.
This Code of Conduct is intended to provide guidance and help to all Directors & Senior Management Executives in the corporate in an ethical way and to help to foster a culture of honesty in the performance of one's recognizing the responsibility and dealing with the issues in such manner as to achieve the objective of duties and accountability.
Each person should act with competence and diligence to bring honour and respect for the Company and comply with all the relevant laws governing the operations of the Company's business in accordance with the principles laid down in the Code A Director of the Company is to act in the fiduciary capacity and every Senior Management Executive is to act as a most disciplined, sincere and loyal worker to protect the interest of the Company and to make efforts for achievement and promotion of the corporate objectives, inter alia relating to financial, social, cultural and ethical areas.

The Best of results can be achieved by adopting the best practices as under:

DIRECTORS

Every Director to:

- Make reasonable efforts to attend Board and Committee meetings regularly.
- Dedicate sufficient time, energy and attention to the affairs of the Company to ensure diligent performance of his duties, including preparing for meetings and decision making by viewing in advance any Agenda/material distributed and making reasonable enquiries,
- Seek to comply with all Corporate Policies.
- Act in the best interest of, and fulfill his fiduciary obligations to the Company's shareholders.
- Conduct himself in a professional, courteous and respectful manner.
- Comply with all applicable laws, rules and regulations.
- Act in a manner to enhance and maintain the reputation of the Company.
- Disclose potential conflicts of interest that he may have regarding any matters that may come before the Board, and abstain from discussion and voting on any matter in which the Director has or may have a conflict of interest.
- Make available to and share with fellow Directors information as may be appropriate to ensure proper conduct and sound operation of the Company and its Board of Directors.
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, except when authorized or legally required to disclose such information.
- Restrain from the use of confidential information acquired in the course of their service as Directors to his personal advantage.
- Notify the other Directors of his material personal interest and must not vote on the matter.

- Bring an open and independent mind to Board or Committee meetings and should not make a decision about a matter before attending and participating in the deliberations of the meeting.

SENIOR MANAGEMENT EXECUTIVES

- Every Senior Executive to:
- Attend to the duties regularly.
- Dedicate sufficient time, energy and attention to the affairs of the Company and ensure diligent performance of his duties, including preparing for each meetings and decision making by viewing in advance any Agenda material distributed and making reasonable inquiries.
- Seek to comply with all Corporate Policies Make available to and share with seniors information as may be appropriate to ensure proper conduct and sound operation of the Company and its Board of Directors.
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of his seroce as Se Executive, except when authorized or legally required to disclose such information
- Notify his personal material interest to his seniors and not to participate in the discussions und decision making in the concerned matters.
- Protect Company's assets/funds/properties and ensure its efficient use. Theft, carelessness, waste, etc of the assets/properties which have a direct impact on the Company’s profitability.
- Consult the Legal Department of the Company if he is unfamiliar/uncertain about the legal rules involving.
- Company s business before taking any action that may jeopardize the Company or that individual.
- To obtain prior approval of the Managing Director of the Company before accepting employment or a position of responsibility (such as Consultant/Director) with any other Company nor provide freelance services to anyone.

General

- All persons should avoid conflicts of interest with the Company. Any situation that involves or may reasonably expected to involve, a conflict of interest should be disclosed properly to the Chairman/Director-in-charge.
- All persons should act and conduct free from fraud and deception Their conduct shall conform to the best efforts.
- All persons owe a duty for not taking themselves personally, opportunities that are discovered during the use of the Company’s property, information or position, and they have duty towards the Company to advance its objectives and interest.
- All persons not to compete directly or indirectly with the Company and not to disclose the confidential and crucial information gathered by the individuals during the tenure of their position in this Company even after resignation from the Directorship or leaving the services of the Company.
- All persons or their family members shall not accept any gift from persons or firms who deal with the Company where such gifts can be construed as a force to influence their actions and decisions in conflict with the interest of the Company.
- All persons shall deal fairly with employees of the Company. They shall not take any unfair advantage of any one through manipulation, concealment, abuse of confidential, proprietary or trade secret information.
- Misrepresentation or other unfair dealing-practices.
- All persons shall not indulge in the activity of subscribing or buying or selling the Securities of the Company

- Which may be in contravention of the policies prescribed by SEBI in the matter of insider Trading. Such persons shall not misuse any unpublished pace sensitive information about the Company with others.
- All persons shall give full cooperation to their seniors, share the information with them, if required, in the best interest of the Company or for compliance of the requirement of the good corporate governance.
- All persons must adopt proactive practices to promote the progressive and ethical behavior at all levels of the management and among other members of the team in the organization.
- All persons ought to report variation of any type in policy Code to their seniors and all of them should give patient hearing to those who want to discuss and criticize any of the issues pertaining to any transaction as suming the same is in the interest of the Company, in case a person feels uncomfortable in discussion of such matters then the person desiring to convey his feeling should contact the Chairman of the Company.
- All persons must disclose if any of their relatives or any Company or firm in which they have interest is entering in to employment or any business transaction with the Company. Such disclosure of interests should be given from time to time or periodically to the Managing Director/Company secretary.

  Only Board of Directors has the right to make any waiver/modification in any part of this Code of Conduct.

INDEPENDENT AUDITOR'S REPORT

To The Members of HARYANA LEATHER CHEMICALS LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HARYANA LEATHER CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at **31st March 2024**, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind. AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **31 March 2024,** and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there- under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind. AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind. AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on **31st March, 2024** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2024** from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (A)The Company has not declared any interim dividend during the year for the Financial year 2023-24.

(B)During the year under Audit the company declared dividend for the year 2022-23 at the rate of Rupees 1/- Per Share on 49,08,470/- Equity Shares fully Paid up. As such a sum of Rupees 49,08,470/- has been debited in the Note No 5(ix) of other Equity under the head Reserve and Surplus. Since no provision for the same was made in the Financials for the year 2022-23.

vi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

vii. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended **March 31, 2024** which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from **April 1, 2023,** reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended **March 31, 2024.**

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S.C. Dewan & Co.
Chartered Accountants
Firm's Registration No.: 000934N

per S.C. Dewan
Partner
Membership No.: 015678
Place : Gurugram
Date : 14-05-2024
UDIN: 24015678BKEJZV9972

Annexure A to Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HARYANA LEATHER CHEMICALS LIMITED of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")

1. We have audited the internal financial controls over financial reporting of HARYANA LEATHER CHEMICALS LIMITED ("the Company") as of **March 31, 2024** in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of internal financial control over financial reporting (the "Guidance Notes") and the standards on auditing deemed to be prescribed under section 143(10) of the act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the guidance notes require that we comply with ethical requirements and planned and performed the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls system over financial reporting, assessing the risks that material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the Standalone Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal financial controls over financial reporting

7. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes

those policies and procedures that (1.) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2.) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization of management and directors of the company ; and (3.) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitation of Internal financial controls over financial reporting

8. Because of the Inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management over-ride of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluations of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

9. In our opinion, the company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31st, 2024** based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **S.C. Dewan & Co.**
Chartered Accountants
Firm's Registration No.: 000934N

S.C. Dewan
Partner
Membership No.: 015678
Place : Gurugram
Date : 14.05.2024
UDIN : 24015678BKEJZV9972

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HARYANA LEATHER CHEMICALS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible asset and hence reporting under clause 3(i)(a)(B) of the Order is not applicable

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at **March 31, 2024** for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The company has not made investments in, not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and section 186 of the Companies Act 2013 are applicable and hence reporting under clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities

carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at **March 31, 2024** for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of any dispute

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and the outstanding term loans at the beginning of the year was applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the

Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The section 135 (Corporate Social Responsibility) of the Companies Act, 2013 is not applicable to the company. hence, reporting under clause (xx) of the Order is not applicable to the Company

For S.C. Dewan & Co.

Chartered Accountants

Firm's Registration No.: 000934N

S.C. Dewan

Partner

Membership No.: 015678

Place : Gurugram

Date : 14.05.2024

UDIN : 24015678BKEJZV9972

STANDALONE BALANCE SHEET AT 31 MARCH, 2024

(Rupees in Thousands)

	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
A. Non-Current Assets			
(a) Property, plant and equipment	5 (i)(a)	142,835.10	150,141.49
(b) Capital work-in-progress	5 (i)(b)	1,856.10	1,169.30
(c) Investment property			
(d) Goodwill		-	-
(e) Other intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants			
(h) Financial assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Other financial assets	5 (ii)(a)	112,002.68	121,884.49
(i) Deferred tax assets (Net)		-	-
(j) Other non-current assets	5 (iii)(a)	1,154.11	1,308.12
Total Non-Current Assets (A)		**257,847.99**	**274,503.40**
B. Current Assets			
(a) Inventories	5 (iv)	33,125.00	31,857.00
(b) Financial assets			
(i) Other investments		-	-
(ii) Trade receivables	5 (v)	93,492.30	98,810.82
(iii) Cash and cash equivalents	5 (vi)	86,776.65	18,037.37
(iv) Bank balances other than (iii) above	5 (vii)	942.67	1,158.31
(v) Loans			
(vi) Other financial assets	5 (ii)(b)	7,212.70	2,030.79
(c) Current Tax Assets (net)			
(d) Other current assets	5 (iii)(b)	2,710.07	2,320.85
Total Current Assets (B)		**224,259.39**	**154,215.14**
Total Assets (A+B)		**482,107.38**	**428,718.54**
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	5 (viii)	49,084.70	49,084.70
(b) Other equity	5 (ix)	362,054.29	320,780.85
Total Equity (A)		**411,138.99**	**369,865.55**
LIABILITIES			
B. Liabilities			
I Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			-
(ia) Lease liabilities			
(ii) Trade payables			
(A) Total outstanding dues of micro enterprise and small enterprises			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises			
(iii) Other financial liabilities (other than those specified in item (b))		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	5(x)	14,398.84	(12,982.77)
(d) Other non-current liabilities			
Total Non-Current Liabilities (I)		**14,398.84**	**(12,982.77)**
II Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	5 (xi)	2,776.00	6,066.44
(ia) Lease liabilities			
(ii) Trade payables			
(A) Total outstanding dues of micro enterprise and small enterprises	5 (xii)	1,843.11	3,792.20
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		40,644.35	28,315.89
(iii) Other financial liabilities	5 (xiii)	942.67	1,158.31
(b) Other current liabilities	5 (xiv)	7,766.08	3,082.46
(c) Provisions	5 (xv)	697.92	2,190.72
(d) Current Tax Liabilities (Net)	5 (xvi)	1,899.42	1,264.20
Total Current Liabilities (II)		**56,569.55**	**45,870.22**
Total Liabilities (I+II)		**70,968.39**	**58,852.99**
Total Equity And Liabilities (A+B)		**482,107.38**	**428,718.54**
See accompanying notes forming part of the standalone financial		-	-

In terms of our report attached.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

CA S.C.Dewan
Partner
ICAI MRN: 015678

Place : Gurugram
Date : 14.05.2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

PANKAJ JAIN
Managing Director-cum-Vice Chairman
DIN: 00206564

N.K. JAIN
Chairman

SILU NANDA
Company Secretary
Membership No.: 12872

SUKANTO CHOUDHARY
COO & CFO

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2024

(Rupees in Thousands)

		Notes	Year ended 31 March, 2024	Year ended 31 March, 2023
I	Revenue from operations	5 (xvii)	444,218.86	424,788.59
II	Other income	5 (xviii)	13,964.12	11,731.13
III	Profit on sale of Assets		21,568.38	-
III	**TOTAL INCOME (I+II)**		**479,751.36**	**436,519.72**
IV	**EXPENSES**			
	(i) Cost of materials consumed	5 (xix)	300,092.99	308,532.84
	(ii) Changes in inventories of finished goods, stock in process and stock in trade	5 (xx)	1,420.00	(2,264.00)
	(iii) Employee benefits expense	5 (xxi)	45,012.48	37,980.62
	(iv) Finance costs	5 (xxii)	553.32	486.01
	(v) Depreciation and amortisation expense	5 (i)(a)	8,664.52	7,768.48
	(vi) Other expenses	5 (xxiii)	67,558.92	58,678.17
	TOTAL EXPENSES (IV)		**423,302.23**	**411,182.12**
V	**PROFIT BEFORE TAX (III-IV)**		**56,449.13**	**25,337.60**
VI	**TAX EXPENSE**			
	(i) Current tax provision		8,298.96	6,135.01
	(ii) Tax for earlier year		552.20	-
	(ii) Deferred tax charge / (credit)	5 (xxiv)	1,416.06	592.34
			10,267.22	**6,727.35**
VII	**PROFIT FOR THE YEAR (VII-VIII)**		**46,181.91**	**18,610.25**
	OTHER COMPREHENSIVE INCOME			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of post employment benefit obligations		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
VIII	**TOTAL OTHER COMPREHENSIVE INCOME**		**-**	**-**
IX	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)**		**46,181.91**	**18,610.25**
	Earnings per equity share:			
	(i) Basic (in Rs.)	5 (xxv)	9.41	3.79
	(ii) Diluted (in Rs.)	5 (xxv)	9.41	3.79

See accompanying notes forming part of the financial statements

In terms of our report attached.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

CA S.C.DEWAN
Partner
ICAI MRN: 015678

PANKAJ JAIN
Managing Director-cum-Vice Chairman
DIN: 00206564

N.K. JAIN
Chairman

Place : Gurugram
Date 14.05.2024

SILU NANDA
Company Secretary
Membership No.: 12872

SUKANTO CHOUDHARY
COO & CFO

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024

(Rupees in Thousands)

	Notes	Year ended 31 March, 2024	Year ended 31 March, 2023
Cash flows from operating activities			
Profit Before Tax		**56,449.13**	**25,337.60**
Adjustments for:			
Finance costs recognised in profit or loss		-	-
Finance costs recognised in profit or loss		253.92	284.70
Dividend paid during the year		-	-
Dividend income recognised in profit or loss		-	-
Other non-operating income (net of directly attributable expenses)		-	-
Profit on disposal of property, plant and equipment		-	-
Impairment loss recognised on trade receivables		-	-
Bad debts and sundry balances written off		-	-
Provision for doubtful advances		-	-
Depreciation and amortisation of non-current assets (continuing and discontinued operations)		8,664.52	7,768.48
Impairment of property, plant and equipment		-	-
Provision for contingencies		-	-
		65,367.57	**33,390.78**
Movements in working capital:			
(Increase)/decrease in trade and other receivables		5,318.52	1,875.27
(Increase)/decrease in inventories		(1,268.00)	5,156.20
(Increase)/decrease in other assets		4,680.33	(24,806.02)
Increase/ (Decrease) in trade payables		10,379.37	(21,598.56)
Increase/ (Decrease) in provisions		(857.58)	(67.47)
Increase/ (Decrease) in other liabilities		4,467.98	(7,106.46)
Cash (used in)/generated from operations		**88,088.19**	**(13,156.26)**
Income taxes paid		(8,851.16)	(6,135.01)
Net cash (used in)/generated by operating activities		**79,237.03**	**(19,291.27)**
Cash flows from investing activities			
Profit on redemption of mutual funds		-	-
Interest received		-	-
Dividend paid		(4,908.47)	520.73
Proceeds against land held for sale		-	-
Proceeds from sale of property, plant and equipment		9,931.62	-
Payments for property, plant and equipment		(11,976.55)	(10,297.49)
Profit on disposal of property, plant and equipment		-	-
Net cash outflow on acquisition of subsidiaries		-	-
Net cash (used in)/generated by investing activities		**(6,953.40)**	**(9,776.76)**
Cash flows from financing activities			
Proceeds from issue of convertible non-participating preference shares		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		(3,290.44)	6,066.44
Interest paid		(253.92)	(284.70)
Net cash (used in)/generated financing activities		**(3,544.36)**	**5,781.74**
Net increase in cash and cash equivalents		**68,739.27**	**(23,286.29)**
Cash and cash equivalents at the beginning of the year	5 (vi)	18,037.38	41,323.67
Cash and cash equivalents at the end of the year	5 (vi)	86,776.65	18,037.38

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

CA S.C.DEWAN
Partner
ICAI MRN: 015678

PANKAJ JAIN
Managing Director-cum-Vice Chairman
DIN: 00206564

N.K. JAIN
Chairman

Place : Gurugram
Date :14.05.2024

SILU NANDA
Company Secretary
Membership No.: 12872

Sukanto Choudhary
COO & CFO

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2024

A. Equity share capital

(Rupees in Thousands)

(1) Current reporting period				**Amount**
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior	Restated balance at the beginning of the current	Changes in equity share capital during the current year	Balance at the end of the current reporting period
49,084.70	-	-	-	49,084.70
(2) Previous reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior	Restated balance at the beginning of the current	Changes in equity share capital during the current year	Balance at the end of the current reporting period
49,084.70	-	-	-	49,084.70

B. Other equity

(Rupees in Thousands)

(1) Current reporting period

Amount

			Reserves and Surplus											
	Share application money pending allotment	Equity component of compound financial instrument s	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	**Total**
Balance at the beginning of the current reporting period	-	-	-	-	47,167.72	273,613.13		-		-	-	-	-	320,780.85
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	46,181.91	-	-	-	-	-	-	-	46,181.91
Any other change (to be specified)	-	-	-	-	-	4,908.47	-	-	-	-	-	-	-	4,908.47
Balance at the end of the current reporting period	-	-	-	-	47,167.72	314,886.57	-	-	-	-	-	-	-	362,054.29

(2) Previous reporting period

			Reserves and Surplus											
	Share application money pending allotment	**Equity component of compound financial instrument s**	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	**Money received against share warrants**	**Total**
Balance at the beginning of the current reporting period	-	-	-	-	47,167.72	254,482.16	-	-	-	-	-	-	-	301,649.88
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	18,610.25	-	-	-	-	-	-	-	18,610.25
Any other change (to be specified)	-	-	-	-	-	520.72	-	-	-	-	-	-	-	520.72
Balance at the end of the current reporting period	-	-	-	-	47,167.72	273,613.13	-	-	-	-	-	-	-	320,780.85

See accompanying notes forming part 1-29

In terms of our report attached.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

CA S.C.Dewan
Partner
ICAI MRN: 015678

Place : Gurugram
Date : 14.05.2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

PANKAJ JAIN
Managing Director-cum-Vice
DIN: 00206564

N.K. JAIN
Chairman

SILU NANDA
Company Secretary
Membership No.: 12872

SUKANTO CHOUDHARY
COO & CFO

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

5 (i)(a) Property, plant and equipment

(Rupees in Thousands)

Particulars	Land	Building	Plant & Machinery	Furniture, Fixture & Equipments	Vehicles	Total
Gross Block						
As at 31 March, 2022	**11,627.26**	**97,896.55**	**187,249.11**	**25,181.74**	**10,161.26**	**332,115.92**
Additions	-	-	2,426.09	130.80	6,607.00	**9,163.89**
Disposals	-				-	**-**
As at 31 March, 2023	**11,627.26**	**97,896.55**	**189,675.20**	**25,312.54**	**16,768.26**	**341,279.81**
Additions	-	-	10,962.24	327.52	-	**11,289.75**
Disposals	-	13,239.51			-	**13,239.51**
As at 31 March, 2024	**11,627.26**	**84,657.05**	**200,637.44**	**25,640.06**	**16,768.26**	**339,330.06**
Depreciation						
At 01 April, 2022	**-**	**29,812.17**	**125,777.09**	**21,920.06**	**5,860.52**	**183,369.84**
Charge for the year	-	1,415.70	4,679.00	746.43	927.35	**7,768.48**
Disposals	-				-	**-**
As at 31 March, 2023	**-**	**31,227.87**	**130,456.09**	**22,666.49**	**6,787.87**	**191,138.32**
Charge for the year	**-**	1,394.31	5,076.90	608.18	1,585.15	**8,664.52**
Disposals	**-**	3,307.89			-	**3,307.89**
As at 31 March, 2024	**-**	**29,314.29**	**135,532.99**	**23,274.67**	**8,373.02**	**196,494.96**
Net Block						
As at 1 April, 2022	**11,627.26**	**68,084.38**	**61,472.02**	**3,261.68**	**4,300.74**	**148,746.08**
As at 31 March, 2023	**11,627.26**	**66,668.68**	**59,219.11**	**2,646.05**	**9,980.39**	**150,141.49**
As at 31 March, 2024	**11,627.26**	**55,342.76**	**65,104.45**	**2,365.39**	**8,395.24**	**142,835.10**

Notes:

1) The company has used deemed cost exemption under Ind AS 101 as on the date of transition to Ind AS.

2) Title deeds of all Immovable Properties held in name of the Company

5 (i)(b) Capital work-in-progress

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,856.10	-	-	-	1,856.10
Projects temporarily suspended	-	-	-	-	-
Total	1,856.10	-	-	-	1,856.10

Capital work in progress as at 31 March, 2024 is __1856.10(as at 31 March, 2023 Rupees 1169.30)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rupees in Thousands)

		As at 31 March, 2024	As at 31 March, 2023
5(ii)	**Other Financial Assets**		
5(ii)(a)	**Non-Current**		
	Unsecured, considered good		
	(a) Security Deposits	474.03	456.16
	(b) Bank deposits with more than 12 months maturity	111,528.65	121,428.33
		112,002.68	**121,884.49**
5(ii)(b)	**Current**		
	Unsecured, considered good		
	(a) Interest accrued but not due on loans and deposits	6,569.98	603.48
	(b) Staff Advance	517.00	996.27
	(c) Advances recoverable in cash or in kind	125.72	431.04
		7,212.70	**2,030.79**
5(iii)	**Other Assets**		
5(iii)(a)	**Non-Current**		
	Unsecured, considered good		
	(b) Other Deposits	1,154.11	1,308.12
		1,154.11	**1,308.12**
5(iii)(b)	**Current**		
	Unsecured, considered good		
	(a) Advance Income Tax (net of Provision)	-	-
	(b) Income Tax Refundable	-	-
	(c) Advance to Vendors	1,355.82	1,019.50
	(d) Prepaid Expenses	960.90	1,242.11
	(e) Duties & Taxes	-	59.24
	(f) GST	393.35	-
		2,710.07	**2,320.85**

(Rupees in Thousands)

		As at 31 March, 2024		As at 31 March, 2023
5 (iv)	**Inventories (valued at lower of cost and net realisable value)**			
	(a) Raw Material	16,620.00		13,500.00
	(b) Stores & Spares	400.00		480.00
	(c) Packing Material	2,523.00		2,875.00
	(d) Work in Progress	-		-
	(e) Finished Goods	13,582.00		15,002.00
		33,125.00	**-**	**31,857.00**

a. Raw materials have been valued at cost on FIFO Method .
b. Stores & Spares and Packing Material have been valued at cost on FIFO Method
c. Work in process have been valued at Raw material cost plus proportionate of conversion cost.
d. Finished goods lying at factory have been valued at Raw material cost plus conversion cost.

5(v) Trade Receivables
Current

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	93,492.30	-	-	-	-	93,492.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	93,492.30	-	-	-	-	93,492.30

Previous reporting period

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	98,810.82	-	-	-	-	98,810.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-		-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	98,810.82	-	-	-	-	98,810.82

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

Trade receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. There are customers who represents more than 5% of the total balance of trade receivable. The risk of non-payment from these customers is considered low as most of these balances are running balance and regular customer

The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period. The provision matrix used to compute the expected credit loss allowance for different categories of trade receivables is as follows.

Ageing	**Expected Credit Allowance %**
0 - 1 year	0% - 50%
1 - 2 year	15% - 100%
2 - 3 year	40% - 100%
More than 3 years	70% - 100%

5 (vi) CASH AND CASH EQUIVALENTS

(a) Balances with Banks		
(i) on current accounts	19,668.89	5,357.93
(ii) Fixed Deposit / Margin Money Account	67,092.53	12,649.33
(b) Cheques in hand	-	-
(c) Cash in hand	15.23	30.11
Cash and cash equivalents as per balance sheet	**86,776.65**	**18,037.37**

5 (vii) Bank balances other than (iii) above

Balances with Banks		
in dividend accounts	942.67	1,158.31
Cash and cash equivalents as per balance sheet	**942.67**	**1,158.31**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rupees in Thousands)

		As at 31 March, 2024	As at 31 March, 2023
5 (viii)	**Share capital**		
	Authorised Shares Capital:		
	6,000,000 Equity shares of Rs. 10 each (6,000,000 as at 31 March, 2024 and 6,000,000 as at 31 March, 2023)	60,000.00	60,000.00
	Total authorised share capital	**60,000.00**	**60,000.00**
	Issued, subscribed and fully paid up shares:		
	4,908,470 Equity shares of Rs. 10 each (4,908,470 as at 31 March, 2024 and 4,908,470 as at 31 March, 2023)	49,084.70	49,084.70
	Total issued, subscribed and fully paid up share capital	**49,084.70**	**49,084.70**

Notes :

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Ordinary Shares

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number	Rupees in Thousands	Number	Rupees in Thousands
At the beginning of the year	4,908,470	-	4,908,470	-
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,908,470**	**-**	**4,908,470**	**-**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rupees 10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the current and previous year, there has been no dividend proposed by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Equity Shares

Name of Shareholder	As at 31 March, 2024		As at 31 March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Pankaj Jain	752,530	15.33	751,780	15.32
ICAP SIRA Chemicals & Polymers SpA	768,470	15.66	768,470	15.66
SANGEETHA S	250,230	5.10	-	-

As per records of the Company, including its register of share holders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shares held by promoters at the end of the year

S.No	Promoter Name	No. of Shares**	% of total shares**	% Change during the year
1	PANKAJ JAIN	752,530	15.33	-
2	SIPPY JAIN	153,626	3.13	-
3	MANIK JAIN	7,300	0.15	-
4	RATNAM JAIN	5,300	0.11	-
5	MUNAK HOLDING LTD	113,282	2.31	-
6	SANGEETHA S	250,230	5.10	-
7	MUNAK CREDIT & INVESTMENT PVT. LTD.	64,980	1.32	-
8	N K JAIN HOLDINGS & FINANCE PVT. LTD.	13,900	0.28	-
9	VIJAY KUMAR GARG CONTRACTOR PVT. LTD.	7,500	0.15	-
10	SAVITA AGGARWAL	138,190	2.82	-
11	ICAP SIRA CHEMICALS & POLYMERS SPA	768,470	15.66	-
Total		2,275,308	46.35	-

(d) Agreegate number of shares issued for consideration other than cash during the period of 5 years immediately proceeding the reporting date.

No shares issued during the period of 5 years immediately proceeding the reporting date.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rupees in Thousands)

		As at 31 March, 2024	As at 31 March, 2023
5 (ix)	**Other equity**		
	i) Reserve and Surplus		
	(A) General Reserve		
	Opening balance	47,167.72	47,167.72
	Add : Transfer from Statement of Profit & Loss	-	-
	Closing balance	**47,167.72**	**47,167.72**
	(B) (Deficit)/Surplus in the statement of profit and loss		
	Opening balance	273,613.13	254,482.15
	Profit for the year ended	46,181.91	18,610.25
	Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	-	520.73
	Dividend for the F.Y. 2022-23 paid during the year	(4,908.47)	-
	Net surplus in the statement of profit and loss	**314,886.57**	**273,613.13**
	Total (A+B)	**362,054.29**	**320,780.85**

(Rupees in Thousands)

5(x) Deferred tax balances (Net)

	As at 31 March, 2024	As at 31 March, 2023
(a) Deferred tax assets	-	-
(b) Deferred tax liabilities	14,398.83	(12,982.77)
	(14,398.83)	**12,982.77**

The following is the analysis of deferred tax assets/(liabilities)

Recognised in profit and loss account and other comprehensive income

Deferred tax assets/(liabilities) in relation to:	As at 31 March, 2023	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at 31 March , 2024
Property, plant and equipment	(12,982.77)	1,416.06		(14,398.83)
Employee benefits	-		-	-
	(12,982.77)	**1,416.06**	**-**	**(14,398.83)**

(Rupees in Thousands)

		As at 31 March, 2024	As at 31 March, 2023
5 (xi)	**Current Borrowings**		
	Current Portion of Term Loan		
	SBI DELHI	2,776.00	6,066.44
		2,776.00	**6,066.44**

5 (xii) Trade Payable

As at 31 March, 2024

Particulars	Outstanding for following periods from due date of payment#				
	Less year than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,843.11	-	-	-	1,843.11
(ii) Others	40,644.35	-	-	-	40,644.35
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**42,487.46**	**-**	**-**	**-**	**42,487.46**

As at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment#				
	Less year than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,792.20	-	-	-	3,792.20
(ii) Others	28,315.89	-	-	-	28,315.89
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**32,108.09**	**-**	**-**	**-**	**32,108.09**

Debit and Credit Balances in the accounts of suppliers and others are subject to confirmation and reconciliations.

(Rupees in Thousands)

		As at 31 March, 2024	As at 31 March, 2023
5 (xiii)	**Other financial liabilities-Current**		
	Unclaimed Dividend	942.67	1,158.31
		942.67	**1,158.31**
5 (xiv)	**Other Current Liabilities**		
	(a) Duties and Taxes	412.31	249.65
	(b) Security from Customers	500.00	500.00
	(c) Advance from Customers	-	-
	(d) Other Payables	6,853.77	2,332.81
	(including Salary, Bonus, PF, ESI, Insurance payables)		
		7,766.08	**3,082.46**
5 (xv)	**Provisions-Current**		
	(a) Provision for Leave Encashment	-	-
	(b) Accrued Liability - Royalty	-	1,300.00
	(c) Accrued Liability - Others	697.92	890.72
		697.92	**2,190.72**
5 (xvi)	**Current Tax Liabilities (Net)**		
	Provision for current tax (Net)	1,899.42	1,264.20
			-
		1,899.42	**1,264.20**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rupees in Thousands)

			Year ended 31 March, 2024	Year ended 31 March, 2023
5 (xvii)	**Revenue From Operations**			
	Sale of Manufactured Products			
	Domestic Sales		347,109.36	341,557.95
	Export Sales		97,109.50	83,230.64
			444,218.86	**424,788.59**
	Earnings in Foreign Exchange			
	Sale of Manufactured Products		97,109.50	83,230.64
5 (xviii)	**Other Income**			
	(a) Interest income on deposits with Bank		10,012.03	6,067.04
	(b) Balances written bank / off (Net)		14.67	88.28
	(c) Foreign Exchange Fluctuations (Gains)		-	734.11
	(d) Scrap Sales		1,606.31	1,610.68
	(e) Miscellaneous income		2,331.11	3,231.02
			13,964.12	**11,731.13**
5 (xix)	**Cost of Material Consumed**			
	(a) Imported		8,834.96	6,156.15
	(b) Indigenous		291,258.03	302,376.69
			300,092.99	**308,532.84**
	Value of Imports on CIF Basis in respect of :			
	Raw Material		7,387.12	7,325.52
	Components & Spare Parts		2,601.01	-
	Capital Goods (including CWIP)		8,412.11	-
			18,400.24	7,325.52
5 (xx)	**Increase / Decrease In Inventories**			
	(a) Inventory at the beginning of the year			
	Finished Goods		15,002.00	12,738.00
	Stock in Process		-	-
		Total A	15,002.00	12,738.00
	(b) Inventory at the end of the year			
	Finished Goods		13,582.00	15,002.00
	Stock in Process		-	-
		Total B	13,582.00	15,002.00
	Net Change in Inventories (A-B)		**1,420.00**	**(2,264.00)**
5 (xxi)	**Employee Benefits Expense**			
	(a) Salaries, wages, bonus & incentives etc. (Net)		40,293.08	33,528.02
	(b) Contribution to provident and other funds		1,771.98	1,650.31
	(c) Workmen and Staff Welfare Expenses		2,947.42	2,382.05
	(d) Gratuity		-	420.24
	(e) Recruitment & Training Expenses		-	-
			45,012.48	**37,980.62**
5 (xxii)	**Finance Costs**			
	(a) Interest expense			
	- on working capital loan		-	-
	- on others		253.92	284.70
	(b) Finance charges		299.40	201.31
			553.32	**486.01**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rupees in Thousands)

		Year ended 31 March, 2024	Year ended 31 March, 2023
5 (xxiii)	**OTHER EXPENSES**		
(a)	Power, fuel and water expenses	9,466.56	9,932.75
(b)	Auditors' remuneration (See note (i) below)	275.00	275.00
(c)	Damaged Material Written off	-	-
(d)	Other debit balances W/off	612.26	2,368.06
(e)	Director Sitting Fees.	70.40	88.00
(f)	Insurance Expenses	1,081.01	999.54
(g)	Postage & Telephone Expenses	1,431.84	722.07
(h)	Printing Stationary Expenses	1,008.27	742.46
(i)	Professional Charges	3,306.96	3,243.04
(j)	Property Tax Expenses	140.91	202.20
(k)	Research & Development Expenses	7,022.47	5,450.22
(l)	Rent - Building / Other	2,222.06	1,048.17
(m)	Repair & Maintanence Expenses	16,609.87	10,496.28
(n)	Royalty Expenses		1,300.00
(o)	Technical Services	589.20	1,253.78
(p)	Marketing Expenses	13,956.59	11,493.70
(q)	Miscellaneous Expenses *	579.61	404.76
(r)	Travelling Expenses	4,790.31	3,937.94
(s)	Vehicle Expenses	681.46	971.74
(t)	Landscaping Expenses	433.40	397.34
(u)	Forex loss	887.24	-
(v)	Office Upkeep Expenses	784.90	680.12
(w)	Water Treatment Expenses		1,287.46
(x)	Licences & Renewals	434.12	119.80
(y)	IT Expenses	1,174.48	1,263.74
		67,558.92	**58,678.17**

* Includes Donation Rs. 281.43 (P.Y. 16.10)

Note:

(i) Auditors' remuneration comprises (GST and Service Tax being Cenvatable, hence not included)

(a) Statutory audit fee (exclusive of GST)	275.00	275.00
(b) Certification and other services	40.00	45.00
(c) Expenses reimbursement	-	-
	315.00	**320.00**

(ii) Expenditure in Foreign Currency

Travel, boarding and lodging		
- Directors	1,209.41	1,732.84
- Employees	496.36	242.29
	1,705.77	**1,975.13**

5 (xxiv) Income Tax Recognised In Profit And Loss

Deferred tax charge / (credit)		
In respect of the current year	1,416.06	592.34
	1,416.06	**592.34**

5 (xxv) Earnings per share (EPS)

Basic		
Net Profit as per profit and loss account	46,181.91	18,610.25
Weighted average number of equity shares outstanding during the year	4,908.47	4,908.47
Earning per Share- Basic	**9.41**	**3.79**
Diluted		
Net Profit as per profit and loss account	46,181.91	18,610.25
Weighted average number of equity shares outstanding during the year	4,908.47	4,908.47
Earning per Share- Diluted	**9.41**	**3.79**
Nominal Value of Equity Share	**10**	**10**

HARYANA LEATHER CHEMICALS LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1) Nature of operations

Haryana Leather Chemicals Limited (the 'Company') was incorporated on 22nd January, 1985 as a Indo-Italian Joint Venture with ICAP-SIRA, Italy focusing on bringing leading product technology from technical alliances in Italy and Spain, resulting in an extensive range of chemicals, coatings and dispersions.

The registered office of the Company is located in HSIIDC Industrial Estate, Hansi Road, Jind-126102, Haryana and the corporate office of the Company is located at Signature Towers, South City – I,Gurugram-122001, Haryana.

2) Application of new and revised Ind ASs

On 16 February, 2015, the Ministry of Corporate Affairs ("MCA") notified the Companies (Indian Accounting Standards) Rules, 2015. The rules specify the Indian Accounting Standards (Ind AS) applicable to certain class of companies and set out dates of applicability. Haryana Leather Chemicals Limited, to whom Ind AS is applicable from 01 April, 2017 as defined in the said notification, is required to apply the standards as specified in Companies (Indian Accounting Standards) Rules 2015 and accordingly the Company has adopted Ind AS from 01 April, 2017 with transition dates as on 01 April, 2016.

As at the date of authorisation of the financial statements, the Company has not applied the following revisions to the Ind AS that have been issued by MCA but are not yet effective:

Ind AS 102 (Amendment)	Measurement of cash settled awards, modification of cash settled awards and equity settled awards that includes a 'net settlement' feature
Ind AS 7 (Amendment)	Disclosure of changes in liabilities on account of financing activities.

The directors of the Company do not expect that the adoption of the amendments to the standards will have an impact on the financial statements of the Company.

3) Significant accounting policies

3.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

3.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis.

Historical Cost is generally based on the fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

3.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for returns, trade allowances for deduction, rebates, goods & service tax and amounts collected on behalf of third parties.

Operating Income

Revenue from sale of manufactured products is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Goods & Service Tax (GST) and other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest income

Interest income is recognized on accrual basis.

3.4 Foreign currencies

Foreign Currency transactions are recorded at the exchange rate prevailing at the date of transaction and monetary items denominated in foreign currency are restated at rates prevailing on the date of balance sheet. The exchange fluctuation arising is shown as "Foreign Exchange Fluctuation Gain / (Loss)" in the statement of profit and loss as per the requirement of Ind AS 21 “The Effects of Changes in Foreign Exchange Rates.”

3.5 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.6 Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and such grants can reasonably have a value placed upon them.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

3.7 Employee benefits

i) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans like provident fund and Employee State Insurance, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognized in the statement of profit and loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense' and “Finance Cost” respectively. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the company can no longer withdraw the offer of the termination benefit and when the company recognizes any related restructuring costs.

ii) **Short-term and other long-term employee benefits:**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

iii) Contributions to provident fund

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Provident Fund is a defined benefit scheme the contribution of which is being deposited with "Employees Provident Fund Organisation"; such contribution to the organisation additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall, if any has to be provided for as at the balance sheet date.

3.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates.

ii) **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

In the case of unused tax losses probability is evaluated considering factors like existence of sufficient taxable temporary differences, convincing other evidence that sufficient taxable profit will be available.

At the end of each reporting period, the company reassess unrecognized deferred tax assets and, the company recognizes a previously unrecognized Deferred Tax Asset to the extent that it has become probable that future taxable profit will allow the Deferred Tax Asset to be recovered.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable company and the same taxation authority.

iii) Current and deferred tax for the year

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.9 Property, plant and equipment (PPE)

For transition to Ind AS, The Company has elected to continue with the carrying value of all of its PPE recognized as of 01 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Land and Building held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold Land is not depreciated

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Components of costs

The cost of an asset includes the purchase cost including import duties and non-refundable taxes, borrowing costs if capitalization criteria are met and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Subsequent expenditure related to an item of PPE is added to its carrying value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

The carrying amount of a PPE is de-recognized upon disposal of PPE or when no future economic benefits are expected from its use. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Depreciation commences when the assets are ready for their intended use. Pursuant to the applicability of Schedule II of the Companies Act, 2013, depreciation on all PPE except land are provided on a straight line method based on the estimated useful life of PPE.

Residual values of assets have been considered at 5% of the original cost of the assets.

The depreciation calculation is based on the balance useful lives of assets and shift working. Depreciation on assets used on double shift basis have been increase by 50% for that period and Depreciation on assets used in triple shift basis have been increase by 100% for that period, except for assets in respect of which no extra shift depreciation is permitted (indicated by NESD in Part C of the schedule).

The useful life of PPE are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

3.10 Inventories

Raw materials have been valued at cost on FIFO method.

Stores & Spares and Packing material have been valued at cost on FIFO method.

Work in Process has been valued at Raw material cost plus proportionate conversion cost.

Finished Goods lying at factory have been valued at Raw material cost plus conversion cost.

3.11 Provision

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.13 Segment Reporting

The Company is in the business of manufacturing of leather chemicals which is the only reportable business segment as per Ind AS 108 'Operating Segments'.

3.14 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares.

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of common shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares. For the purposes of calculating basic EPS, shares allotted to ESOP trust pursuant to employee share based payment plan are not included in the shares outstanding till the employees have exercised their rights to obtain shares after fulfilling the requisite vesting conditions. Till such time, the shares are allotted are considered as dilutive potential equity shares for the purposes of calculating diluted EPS.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earning per share from continuing operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

3.15 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.16 Financial Instrument

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair Value Through Profit & Loss (FVTPL).

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognized in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss.

Cash and cash equivalents (for the purpose of Cash Flow Statement)

Cash and cash equivalents in Cash Flow Statement comprise cash at bank and in hand and fixed deposits maturity within 12 month with banks, which are subject to an insignificant risk of changes in value.

4) Related party disclosures

Names of related parties and related party relationship

Key Managerial Personnel ('KMP')	(a) Mr. Pankaj Jain (Managing Director-cum-Vice Chairman)
	(b) Mr. N.K. Jain (Chairman)
Relatives of KMP	(c) Mrs. Sippy Jain
	(d) Ms. Ratnam Jain
Enterprises owned or significantly influenced by key management personnel ('KMP') or their relatives (with whom transactions have been taken place)	(a) N.K. Jain Instruments Private Limited
	(b) Labotron Instruments Ltd.
	(c) Labotech Microscopes India Pvt. Ltd.
	(d) N.K. Jain Holding Pvt. Limited

The schedule of Related Party Transactions is as follows:

		(Rupees in thousands)
Particulars	**Year Ended 31 March, 2024**	**Year Ended 31 March, 2023**
Transactions during the year		
Operating income		
Rent paid		
N.K. Jain Holding Pvt. Limited	383.52	351.36
Marketing Expenses		
Mrs. Sippy Jain	1478.5	982.00
Salary Expenses		
Ms. Ratnam Jain	1800.00	175.00

	(Rupees in thousands)	
Balance outstanding at the year end	**As at 31 March, 2024**	**As at 31 March, 2023**
Balance payable		
N.K. Jain Holding Pvt. Limited	7.78	NIL
Mrs. Sippy Jain	964.45	883.8

*Related Parties have been identified by the management.

Notes:
The above outstanding are unsecured and will be settled in cash. No expenses has been recognized in the current or prior years for bad or doubtful debt in respect of the amounts owned by related party.

5) Borrowings

(i) Secured Loans

Short term borrowings: **(Rupees in thousands)**

Particulars	Note	31 March, 2024	31 March, 2023
Working Capital Loan from SBI	(i)	Nil	Nil
ICICI Bank Ltd (Car Loan)	(ii)	Nil	Nil
Total		**Nil**	**Nil**

6) Commitments:

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Estimated amount of contracts remaining to be executed on capital account [net of advances]	Nil	Nil

7) Contingent liabilities (not provided for) in respect of:

Description	As at 31 March, 2024	As at 31 March, 2023
Letter of Credit Outstanding for Import/Purchase of Raw Material, Spares, and Plant & Machinery	Nil	Nil

8) Employee Benefits Plan:

The Company has various schemes of retirement benefits such as provident fund, gratuity and leave encashment, which is dealt as under :-

i) The Company has taken Group gratuity Policy from LIC and the fund value as on 31.03.2024 was Rs. 7462.13 thousands.

ii) The provision for Leave Encashment has been taken on the basis of actuarial valuation. As per the actuarial valuation report the provision for leave encashment has been determined as Rs. Nil (P.Y. Nil) as on 31.03.2024.

iii) Contribution to provident fund are made in accordance with the provisions of Employee Provident Fund & Misc. Provisions Act, 1952 and charges to revenue every year and this is in conformity as per the requirements of Ind AS

9) Financial Instruments

i) Capital Management

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net cash & bank balances and total equity of the company. The company is not subject to any externally imposed capital requirements.

ii) Categories of financial instruments

(Rupees in thousands)

Financial assets		As at 31 March, 2024	As at 31 March, 2023
Non-Current			
	Other financial assets	112002.68	121884.49
Current			
(i)	Trade receivables	93492.30	98810.82
(ii)	Cash and cash equivalents	86776.65	18037.37
(iii)	Bank balances other than (iii) above	942.67	1158.31
(iv)	Other financial assets	7212.7	2030.79

Financial liabilities		As at 31 March, 2024	As at 31 March, 2023
	Current		
(i)	Borrowings	-	-
(ii)	Trade payables		
	(A) Total outstanding dues of micro enterprise and small enterprises	1843.11	3792.2
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	40664.35	28315.89
(iii)	Other financial liabilities	942.67	1158.31

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk for such financial assets.

iii) Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Audit & Risk Committee manages the financial risk of the company through internal risk reports which analyse exposure by magnitude of risk.

Market Risk

The company's activities majorly do not expose to the financial risks of changes in interest rates and foreign currency exchange rates.

a) Interest rate risk management

The company is not exposed to interest rate risk because company borrow funds only at fixed interest rates and company also does not have any borrowings except working capital loan.

b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company takes due care while extending any credit as per the approval matrix approved by ECRM.

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

10) Earnings per share

	As at 31 March, 2024	As at 31 March, 2023
Basic/ Diluted earnings per share	**9.41**	**3.79**
Profit as per statement of profit and loss	**46181.91**	**18610.25**
Earning used in calculation of basic earnings per share	**46181.91**	**18610.25**
Weighted average number of equity shares in calculating Basic EPS	4908.47	4908.47

11) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

(Rs. in Thousands)

Particulars	31 March, 2024	31 March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
-Principal amount due to micro and small enterprises	1843.11	1843.11
-Interest due on above	-	-

The above information regarding dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

12) Previous year figures

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

13) Dividend

During this FY the Company declare dividend on equity shares @ 10% for the FY 2022-23 for where no provisions was made in the books of accounts earlier year. As such total amount of dividend Rs.4908.47 (inclusive dividend tax) has been directly debited to reserve and surplus.

FOR S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

CA. S.C. Dewan
Partner
ICAI MRN: 015678
Place : Gurugram
Date : 14.05.2024

For and on behalf of the Board of Directors

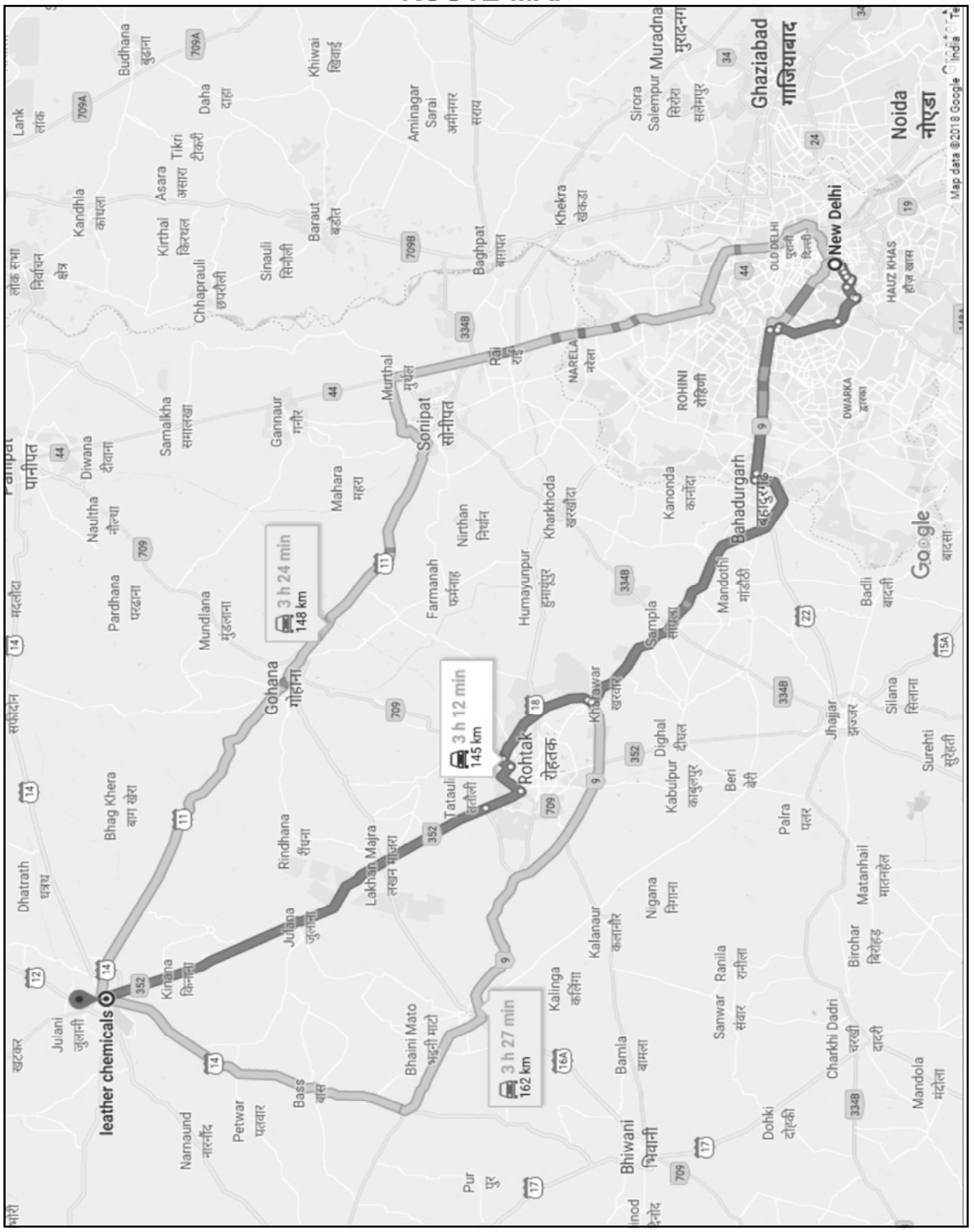
PANKAJ JAIN
MANAGING DIRECTOR
DIN: 00206564

N.K. JAIN
CHAIRMAN

SILU NANDA
Company Secretary
Membership No. 12872

Sukanto Choudhary
COO & CFO

ROUTE MAP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Gohana
Sonipat
Bahadurgarh
New Delhi
Ghaziabad
Noida
Google

HARYANA LEATHER CHEMICALS LIMITED

Corporate Identity Number (CIN): L74999HR1985PLC019905
Registered Office: 72-77, HSIIDC Industrial Estate, Hansi Road, Jind - 126 102 (Hr.)
Telephone No.: +91-01681-226645; Fax No.: +91-01681-225101
Website: www.leatherchem.com, Email ID: info@leatherchem.com

39th Annual General Meeting on Saturday the 28th September, 2024

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013, and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L74999HR1985PLC019905
Name of the Company : Haryana Leather Chemicals Limited
Registered office : 72-77, HSIIDC Industrial Estate,
Hansi Road, Jind - 126 102 (HR.)

Name of Member(s): .....
Registered address: .....
Email ID: .....
Folio No./Client ID: .....
DP ID: .....

I/We, being the Member(s) holding ..... shares of the above named Company, hereby appoint

1. Name: .....
   Address: .....
   Email ID: .....
   Signature:…….....……., or failing him/ her
2. Name:
   Address: .....
   Email ID: .....
   Signature:…….....……., or failing him/ her
3. Name:
   Address: .....
   Email ID: .....
   Signature:…….....…….

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Ninth Annual General Meeting of the Company to be held on 28th day of September, 2024 at 12.30 p.m. at the Registered Office of the Company at 72-77, HSIIDC Industrial Estate, Hansi Road, Jind - 126 102, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions

1. To consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2024 and the Statement of Profit & Loss Account for the Year ended as on that date together with the Reports of Auditors and Directors thereon.
2. To consider declaring Final Dividend @ 10% on the nominal value of the equity shares of the Company for the Financial Year 2023-24.
3. To consider appointing a Director in place of Mr. N. K. Jain (DIN: 00486730), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider re-appointment and continuation of Mr. Chinar Goel (DIN: 07610985) as an Independent Non-Executive Director of the Company.

5. To consider re-appointment and continuation of Mr. Kanishk Gupta (DIN: 02243899) as an Independent Non-Executive Director of the Company.
6. To consider re-appointment and continuation of Mrs. Ritu Atri (DIN: 09596000) as an Independent Non-Executive Director of the Company.
7. To consider re-appointment and continuation of Mr. Pradeep Kumar Verma (DIN:10749814) as an Independent Non-Executive Director of the Company.

Signed this..... day of....., 2024

Affix
Revenue Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 39th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

HARYANA LEATHER CHEMICALS LIMITED

Corporate Identity Number (CIN): L74999HR1985PLC019905
Registered Office: 72-77, HSIIDC Industrial Estate, Hansi Road, Jind - 126 102 (Hr.)
Telephone No.: +91-01681-226645;
Fax No.: +91-01681-225101
Website: www.leatherchem.com, Email ID: info@leatherchem.com

ATTENDANCE SLIP

Regd. Folio/DP ID & Client ID	
Number of shares	
Name and Address of the Member	

I hereby record my presence at the Thirty Ninth Annual General Meeting of the Company held on Saturday, the 28th day of September, 2024 at 12.30 p.m. at the Registered Office of the Company at 72-77, HSIIDC Industrial Estate, Hansi Road, Jind - 126 102, Haryana.

..... Name of the Member/Proxy (in block letters)

..... Member's/Proxy's Signature

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report to the meeting.

For a Greener Tomorrow

Green Trek is the symbol that expresses the company's stance on safety and environmental management. Through a wide range of actions and projects using latest technologies and employee's insight, the company is realising its sustainability goals, year after year.