



SANGINITA CHEMICALS LTD.

(Erstwhile known as Sanginita Chemicals Pvt. Ltd.)

MANUFACTURERS & SUPPLIERS OF CHEMICALS

Regd. Office : 301, Shalin Complex, B/H Megh Malhar Complex, Sector-11,
Gandhinagar - 382 011, Gujarat State.
Factory : Block No. 1133, Nr.GIDC-Chhatral Phase IV, At.: Chhatral, Ta. Kalol,
Dist. Gandhinagar, Gujarat State.
Phone : (O.& Fax) 079-23240270, M.: 98240 65056, 93270 23982, 98792 30034
e-mail : dbchavada@yahoo.co.in / sanginitachemicals@yahoo.com
Website : www.sanginitachemicals.co.in.
CIN : L24100GJ2005PLC047292

6th August, 2024

To,
The National Stock Exchange of India Limited
Bandra Kurla Complex (Bandra East)
Mumbai - 400051

SYMBOL: SANGINITA

Dear Sir,

Sub: Submission of Annual Report of Sanginita Chemicals Limited for the F.Y. 2023-2024
Ref: Regulation 34 (1) (a) of SEBI (LODR) Regulation, 2015

With reference to the captioned subject, we are hereby uploading the soft copy of Annual Report of our Company for the F.Y. 2023-2024. The Annual Report contains all requisite disclosures as required under the applicable laws including the SEBI (LODR) Regulations, 2015.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For, SANGINITA CHEMICALS LIMITED

DINESHSINH CHAVADA (DIN: 01497977)
CHAIRPERSON & MANAGING DIRECTOR



Encl: As above.



SANGINITA CHEMICALS LIMITED

(CIN: L24100GJ2005PLC047292)

**NINETEENTH
ANNUAL REPORT
2023-24**

SANGINITA CHEMICALS LIMITED
(CIN: L24100GJ2005PLC047292)

NINETEENTH ANNUAL REPORT 2023 -24

BOARD OF DIRECTORS	:	Mr. Dineshsinh B. Chavada (DIN: 01497977)	Chairperson & Managing Director
		Mr. Vijaysinh D. Chavda (DIN: 00479413)	Whole Time Director
		Mrs. Hansaben D. Chavada (DIN: 00479509)	Director
		Mr. Faiyazkhan Y. Pathan (DIN: 07702208)	Independent Director
		Mr. Jagdishkumar V. Thakor (DIN: 07702521)	Independent Director
		Mr. Pramodsinh D. Dabhi (DIN: 08441361)	Independent Director
CHIEF FINANCIAL OFFICER	:	Ms. Sangitaben D. Chavda	
COMPANY SECRETARY	:	CS Saroj Jagetia	
BANKERS	:	AXIS Bank Gandhinagar	
STATUTORY AUDITORS	:	M/s. Devpura Navlakha & Co., Chartered Accountants Ahmedabad	
SECRETARIAL AUDITORS	:	M/s. Manoj Hurkat & Associates Practicing Company Secretaries Ahmedabad	
REGISTERED OFFICE	:	301, 3 rd Floor, Shalin Complex Sector 11, Gandhinagar – 382011 (Gujarat)	
ISIN (for demat purpose)	:	INE753W01010	

NOTICE

NOTICE is hereby given that the **NINETEENTH ANNUAL GENERAL MEETING** of the Members of **SANGINITA CHEMICALS LIMITED** will be held as scheduled below:

Date	: 4 th September, 2024
Day	: Wednesday
Time	: 12.00 Noon
Place	: At the Registered Office: 301, 3 rd Floor, Shalin Complex, Sector 11, Gandhinagar – 382011 (Gujarat)

to transact the following business:

ORDINARY BUSINESS:

- To receive and adopt Audited Financial Statements of the Company for the financial year 2023-24 and to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION:
“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year 2023-24 comprising of Balance Sheet as on 31st March, 2024 and Profit and Loss Statement for the Financial year ended on 31st March, 2024 together with all annexure and attachments thereto including Directors’ Report and Auditors’ Report thereon, which have already been circulated to the Members and as laid before this meeting, be and the same, are hereby approved and adopted.”
- To appoint Director in place of Mr. Vijaysinh D. Chavda (DIN: 00479413), who retires by rotation and being eligible, offers himself for re-appointment and to pass following resolution, with or without modification as an ORDINARY RESOLUTION:
“**RESOLVED THAT** the retiring Director, Mr. Vijaysinh D. Chavda (DIN: 00479413), be and is hereby reappointed, as Director of the Company, liable to retire by rotation.”
- To appoint Auditors in place of M/s. Devpura Navlakha & Co., Chartered Accountants and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:
“**RESOLVED THAT** pursuant to provisions of Section 140 (4) read with Section 139 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder and as per the Special Notice received from the member of the Company, M/s. B. K. Chavda & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting i.e. 19th AGM till the conclusion of 24th AGM (from F.Y. 2024-25 to 2028-29) in place of M/s. Devpura Navlakha & Co., Chartered Accountants, who have completed their term as Statutory Auditors of the Company.
RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to fix their remuneration in consultation with the said Auditors and also to take all other actions as may be required in this regard.”

SPECIAL BUSINESS:

- To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution:
RE-APPOINTMENT OF MR. DINESHSINH B. CHAVADA (DIN: 01497977) AS MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 YEARS W.E.F. 23RD NOVEMBER, 2024:
“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder and as recommended by the Nomination and Remuneration Committee, consent of the Members be and is hereby accorded to the re-appointment of Mr. Dineshsinh B. Chavada (DIN: 01497977) as Managing Director of the Company for the period of three years w.e.f 23rd November, 2024.
RESOLVED FURTHER THAT the terms and conditions of such appointment including the remuneration and perquisite payable to Mr. Dineshsinh B. Chavada (DIN: 01497977) shall be as mentioned herein below:

TERMS AND CONDITIONS

- Subject to the superintendence, direction and control of the Board of Directors of the Company, Dineshsinh B. Chavada (DIN: 01497977), Managing Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.
- The Managing Director shall not be liable to retire by rotation.
- The Managing Director shall be entitled to receive the remuneration and perquisites as stated below even in the event of inadequacy or absence or profit by the Company in any year.
- The Managing Director shall be paid remuneration and perquisites as under:
(A) Salary: A Salary of Rs. 50,000/- per month with liberty to the Board to increase or decrease the salary within the limits laid down in Schedule V of the Companies Act, 2013.

- (B) **Bonus:** Discretionary bonus as may be decided by Remuneration Committee/ Board of Directors, depending upon the performance of appointee, working of the Company and other relevant factors subject to the ceiling of 100% of annual salary.
- (C) **Perquisites:** The Managing Director may be paid perquisites including but not limited to the Medical reimbursement, Children education allowance, Leave travel concession, Contribution to P.F., Gratuity, Super Annuation fund, Use of Company's car with Driver, Telephone/Mobile facility, Club Membership etc., as may be decided by the Board of Directors from time to time in line with the norms applicable to the employees of the Company.

Provided however that the overall remuneration including all the perquisites shall not exceed the limits laid down under Para A of Section II of Part II of the Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites as specified in this resolution may be altered or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby authorised to take all necessary action as may be required in this regard."

5. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution:

RE-APPOINTMENT OF MR. VIJAYSINH D. CHAVDA (DIN: 00479413) AS WHOLE TIME DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 YEARS W.E.F. 23RD NOVEMBER, 2024:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder and as recommended by the Nomination and Remuneration Committee, consent of the Members be and is hereby accorded to the re-appointment of Mr. Vijaysinh B. Chavda (DIN: 00479413) as Whole Time Director of the Company for the period of three years w.e.f 23rd November, 2024.

RESOLVED FURTHER THAT the terms and conditions of such appointment including the remuneration and perquisite payable to Mr. Vijaysinh D. Chavda (DIN: 00479413) shall be as mentioned herein below:

TERMS AND CONDITIONS

- I. Subject to the superintendence, direction and control of the Board of Directors of the Company, Mr. Vijaysinh D. Chavda (DIN: 00479413), Whole Time Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.
- II. Whole Time Director shall be liable to retire by rotation.
- III. The Whole Time Director shall be entitled to receive the remuneration and perquisites as stated below even in the event of inadequacy or absence or profit by the Company in any year.
- IV. Whole Time Director shall be paid remuneration and perquisites as under:
 - (A) **Salary:** A Salary of Rs. 50,000/- per month with liberty to the Board to increase or decrease the salary within the limits laid down in Schedule V of the Companies Act, 2013.
 - (B) **Bonus:** Discretionary bonus as may be decided by Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to the ceiling of 100% of the annual salary.
 - (C) **Perquisites:** The Whole Time Director may be paid perquisites including but not limited to the Medical reimbursement, Children education allowance, Leave travel concession, Contribution to P.F., Gratuity, Super Annuation fund, Use of Company's car with Driver, Telephone/Mobile facility, Club Membership etc., as may be decided by the Board of Directors from time to time in line with the norms applicable to the employees of the Company.

Provided however that the overall remuneration including all the perquisites shall not exceed the limits laid down under Para A of Section II of Part II of the Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors are at liberty to alter and vary the terms and conditions of the Remuneration and Perquisites so as not to exceed the limit specified in Schedule V of the Companies Act, 2013 or any amendments of modification that may hereafter be made thereto by the Central Government and as may be agreed between the Board of Directors and Mr. Vijaysinh D. Chavda and without referring the matter to the members of the Company in general meeting once again.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

RATIFICATION OF REMUNERATION OF COST AUDITORS:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies

Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the members of the Company do hereby approve/ratify the remuneration of Rs. 25,000/- plus applicable tax & out of pocket expense on actual basis p.a. to M/s. A. G. Tulsian and Co., Cost Accountant/s for the FY 2023-24 and onwards.

RESOLVED THAT pursuant to provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014, the Board of Directors of the Company, be and is hereby authorized to appoint and fix the remuneration of Cost auditors from time to time and such remuneration shall be considered as ratified by the Shareholders until the remuneration of such cost auditors crossed the limit of Rs. 30,000/- p.a. plus applicable tax & out of pocket expense on actual basis for each cost audit period.

RESOLVED FURTHER THAT Board of Directors, be and is hereby authorized to fix the remuneration of cost auditors from time to time not exceeding the limit of Rs. 30,000/- p.a. plus applicable tax for each cost audit period and reimburse the out of pocket expenses as may be incurred by the cost auditor during the course of their audit and performance of their duties as cost auditors of the Company.

RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and other things as may be required or considered necessary, expedient or incidental thereto for giving effect to aforesaid resolution.”

Registered Office:

301, 3rd Floor, Shalin Complex, Sector-11,
Gandhinagar - 382011 (Gujarat)

Date: 30th May, 2024

CIN:L24100GJ2005PLC047292

By Order of the Board

sd/-

Dineshsinh B Chavada

(DIN: 01497977)

Chairperson & Managing Director

NOTES:

- In view of Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide Circular No. 20/2020 dated 5th May, 2020 read with Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 02/2021-22 dated 13th January, 2021, Circular No. 02/2022 dated 5th May, 2022, Circular No. 10/2022 dated 28th December, 2022 and Circular No. 09/2023 dated 25th September, 2023 (collectively referred to as ‘MCA Circulars’) and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 15th January, 2021, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022, SEBI/HO/CFD/PoD-2/P/CIR/P/2023/4 dated 5th January, 2023 and Circular No. SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 issued by the Securities and Exchange Board of India (collectively referred to as ‘SEBI Circulars’), inter alia, permitted the holding of Annual General Meeting (“AGM”) through Video Conferencing (“VC”) without physical presence of the Members at a common venue. Hence, the Company is providing VC option to the members of the company to attend the meeting through video conferencing. However, the members attending the meeting through VC shall not be entitled to attend proxy. The credentials of attending the meeting through VC are given elsewhere in this Notice.**
- Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.
- Pursuant to the provisions of SEBI (LODR) Regulations, 2015 and Section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Wednesday, 28th August, 2024 to Wednesday, 4th September, 2024 (both days inclusive).
- Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
- Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form (if any) should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:

Purva Sharegistry (India) India Pvt. Ltd.
Unit No. 9, Shiv Shakti Inds. Estate, J R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400011.
- The Notice of 19th AGM along with the Financial Statements are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same.
- The members whose email ids are not registered in their Demat Account with their Depository Participant and who have not provided their email ids to the Company/RTA, are requested to provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 (sanginitachemicals@yahoo.com) / RTA (support@purvashare.com).

8. REMOTE E-VOTING AND ALSO E-VOTING DURING THE AGM:

Pursuant to provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to offer Remote E-Voting facility to the members to cast their votes electronically on all resolutions set forth in the notice convening 19th Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the E-voting facility (both Remote E-voting and E-voting during the AGM). The complete details of the instructions for E-voting are annexed to this Notice.

9. The instructions for shareholders voting on the day of the AGM on E-voting system and instructions for attending the AGM through VC / OAVM are also annexed to this Notice separately.
10. Members, Directors, Auditors and other eligible persons to whom this Notice is being circulated can attend this AGM through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.
11. The attendance of Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Attendance of members will be recorded on the CDSL platform at the time when the member login to attend the AGM through VC/OAVM.
12. Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard on General Meeting (SS-2) notified under the Companies Act, 2013 in respect of the directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.

EXPLANATORY STATEMENT:**ITEM NO. 3:**

M/s. Devpura Navlakha & Co., Chartered Accountants, the existing auditors of the Company were appointed as Statutory Auditors of the Company at the 14th AGM for holding the office from the conclusion of that 14th AGM till the conclusion of 19th AGM.

Hence, the term of appointment of five years of M/s. Devpura Navlakha & Co., Chartered Accountants ends at this Annual General Meeting. Therefore the Company needs to appoint any other Statutory Auditor for a term of five years.

The Company has received a Special Notice u/s 140 (4) of the Companies Act, 2013 from a member of the Company for appointing M/s. B. K. Chavda & Co., Chartered Accountant, Gandhinagar as Statutory Auditor of the Company. Further M/s B. K. Chavda & Co., Chartered Accountants are Peer reviewed Auditors and hence the Company will not require to Audit the Accounts separately from Peer Reviewed Auditors. Moreover, M/s. B. K. Chavda & Co., Chartered Accountant, Gandhinagar has given their consent to act as Statutory Auditor of the Company and also provided declaration that their appointment, if made shall be within the limit prescribed.

The Company needs to appoint Statutory Auditor for a term of five years as per the applicable provisions of the Companies Act, 2013.

This statement shall be considered as circulation of Special Notice as received by the Company from a member for appointment of Statutory Auditors of the Company in place of existing Auditors.

Documents relating to this Agenda item are open for inspection at the Registered Office of the Company by members during normal business hours on all working days till the conclusion of Annual General Meeting. None of the Directors, KMP or their relatives are in any way concerned or interested in this resolution.

The Board recommends the Ordinary Resolution set out on Item No. 3 of Notice for approval by members.

ITEM NO. 4:

At the Annual General Meeting held on 30th August, 2022, Mr. Dineshsinh B. Chavada was re-appointed as Managing Director of the Company for a period of 3 years commencing from 23rd November, 2021 to 22nd November, 2024 on the terms and conditions as approved by the shareholders at the said General meeting. Moreover, the present term of appointment of Mr. Dineshsinh B. Chavada as Managing Director will expire on 22nd November, 2024. The Board of Directors at their meeting held on 30th May, 2024 have, subject to the approval of the members, re-appointed Mr. Dineshsinh B. Chavada as Managing Director of the Company with effect from 23rd November, 2024 for further period of 3 years on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee and Audit Committee as set out in the resolution mentioned at Item No. 4.

The Board is of the opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Managing Director as mentioned in the resolution, subject to the approval of shareholders. The Board at their meeting held on 30th May, 2024 approved the remuneration, terms and conditions of reappointment of Mr. Dineshsinh B. Chavada as Managing Director of the Company, for a period of three (3) years from 23rd November, 2024 on the terms and conditions as set out in the resolution set out in the Notice of 19th AGM, subject to approval of the shareholders.

The Board recommends the adoption of the Special Resolution contained in Item no. 4 of the Notice.

Mr. Dineshsinh B. Chavada, Managing Director, Mrs. Hansaben D. Chavada, Director and Mr. Vijaysinh D. Chavda, Whole Time Director are deemed to be concerned or interested in the said resolution. No other Director, key managerial personnel or their relatives are concerned or interested in passing of Special Resolution as set out at Item No. 4 of the Notice convening 19th Annual General Meeting. The above proposal is in the interest of the Company and the Directors recommend the Resolution in Item No. 4 of the Notice for approval of the Members.

ITEM NO. 5:

At the Annual General Meeting held on 30th August, 2022, Mr. Vijaysinh D. Chavda was appointed as Whole Time Director of the Company for a period of 3 years commencing from 23rd November, 2021 to 22nd November, 2024 on the terms and conditions as approved by the shareholders at the said General meeting. Moreover, the present term of appointment of Mr. Vijaysinh D. Chavda as Whole Time Director will expire on 22nd November, 2024. The Board of Directors at their meeting held on 30th May, 2024 have, subject to the approval of the members, re-appointed Mr. Vijaysinh D. Chavda as Whole Time Director of the Company with effect from 23rd November, 2024 for further period of 3 years on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee and Audit Committee as set out in the resolution mentioned at Item No. 5.

The Board is of the opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Whole-Time Director as mentioned in the resolution, subject to the approval of shareholders. The Board at their meeting held on 30th May, 2024 approved the remuneration, terms and conditions of the reappointment of Mr. Vijaysinh D. Chavda as Whole Time Director of the Company, for a period of three (3) years from 23rd November, 2024 on the terms and conditions as set out in the resolution set out in the Notice of 19th AGM, subject to approval of the shareholders.

The Board recommends the adoption of the Special Resolution contained in Item no. 5 of the Notice.

Mr. Vijaysinh D. Chavda, Whole Time Director, Mr. Dineshsinh B. Chavada, Managing Director and Mrs. Hansaben D. Chavada, Director are deemed to be concerned or interested in the said resolution. Except this, no other Director, key managerial personnel or their relatives are concerned or interested in passing of Special Resolution as set out at Item No. 5 of the Notice convening 19th AGM.

The above proposal is in the interest of the Company and the Directors recommend the Resolution in Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to have the audit of its cost records conducted by a cost accountant in practice.

The Board has approved the appointment of M/s. A. G. Tulsian and Co., Cost Accountant for the FY 2023-24.

Further, according to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014, the Board of Directors are authorized to appoint the cost auditors of the Company and approve the remuneration of cost auditors subject to ratification by shareholders.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2023-24 and onwards.

Moreover, in respect of financial year 2024-25 and onwards, in order to give flexibility to the Board of Directors for fixing the remuneration of cost auditors from time to time, it is proposed to obtain approval of shareholders authorizing Board of Directors to approve remuneration of cost auditors, not exceeding the limit as approved by the shareholders.

The Directors recommend this resolution to be passed as an Ordinary Resolution.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

Registered Office:

301, 3rd Floor, Shalin Complex, Sector-11,
Gandhinagar - 382011 (Gujarat)

Date: 30th May, 2024

CIN:L24100GJ2005PLC047292

By Order of the Board

sd/-

Dineshsinh B Chavada

(DIN: 01497977)

Chairperson & Managing Director

Details of Director/s Seeking Appointment/Re-appointment at the Annual General Meeting

Particulars	Mr. Vijaysinh D. Chavda (DIN: 00479413)
Date of Birth	27/10/1980
Date of the first Appointment on the Board	15/12/2005
Qualification	Chemical Engineer
Expertise in Specific functional areas	Mr. Vijaysinh D. Chavda has rich experience in Chemical business
Directorships held in other Companies	Nil
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	The Company has been paying remuneration to Mr. Vijaysinh D. Chavda as Whole-time Director in accordance with the terms and conditions approved by the members at the AGM held on 30 th August, 2022. For financial year 2023-24, Mr. Vijaysinh Chavda was paid remuneration of Rs. 6,75,000/- p.a. as Whole-time Director.
Number of Board Meetings attended during the year	5
Memberships/ Chairmanships of committees of Board of Directors of Company	1
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	Nil
Number of shares held in the Company	447221
Disclosure of relationship between directors inter-se	None of the Directors are related inter-se except Mr. Dineshsinh B. Chavada, Managing Director and Mr. Vijaysinh D. Chavda, Whole-Time Director being father & son and Mrs. Hansaben D. Chavada, Director being mother and son.

Additional information required to be given alongwith Notice calling AGM as per sub-Para (B) of Para 1 of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:

I.	General Information:						
	(1)	Nature of Industry:	The Company is engaged mainly in production of Cuprous Chloride, Cupric Chloride and Copper Sulphate				
	(2)	Date or expected date of commencement of Commercial production:	The Company is already in operation.				
	(3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable				
	(4)	Financial performance based on given indicators					(In Lakhs)
		Turnover	2019-20	2020-21	2021-22	2022-23	2023-24
		Net profit/ (loss) as per Statement of Profit & Loss	15978.08	16466.06	19806.82	14856.41	15150.30
		Amount of Dividend paid	336.62	76.26	34.80	41.61	76.98
		Rate of Dividend declared	-	-	-	-	-
		Earnings before taxes	450.01	102.21	46.54	55.21	104.40
% of EBT to turnover	2.82	0.62	0.23	0.37	0.69		
(5)	Foreign investments or collaborations, if any.	NIL					

II.	Information about the appointee 1:	
(1)	Background details	Name: Mr. Dineshsinh B. Chavada Designation: Managing Director Father's name: Shri Bhimsinh Chavada Nationality: Indian Date of Birth: 04/11/1958 Qualifications: B. Sc. Experience: 17 Years
(2)	Past remuneration	He was appointed as a Managing Director w.e.f. 23 rd November, 2021. Earlier, he was drawing Rs. 60,000 p.m. as MD
(3)	Recognition or awards	NIL
(4)	Job profile and his suitability	The Managing Director shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.
(5)	Remuneration proposed	A gross remuneration of Rs. 50,000/- per month with liberty to Board to increase or decrease the remuneration. Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to Maximum of 100% of Annual Salary which may be increased/ decreased by the Board from time to time within the maximum permissible limits.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to him is just adequate.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Dineshsinh B. Chavada is father of Mr. Vijaysinh D. Chavda, Whole Time Director and husband of Mrs. Hansaben D. Chavada, Director of the Company.
III	Other information:	
(1)	Reasons of loss or inadequate profits	NA
(2)	Steps taken or proposed to be taken for improvement.	NA
(3)	Expected increase in productivity and profits in measurable terms	NA

III.	Information about the appointee 2:	
(1)	Background details	Name: Mr. Vijaysinh D. Chavda Designation: Whole Time Director Father's name: Shri Dineshsinh B. Chavada Nationality: Indian Date of Birth: 27/10/1980 Qualifications: Diploma in Chemical Engineering Experience: 19 Years
(2)	Past remuneration	He was appointed as a Whole Time Director w.e.f. 23 rd November, 2021. Earlier, he was drawing Rs. 60,000 p.m. as WTD
(3)	Recognition or awards	NIL
(4)	Job profile and his suitability	The Whole Time Director shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.
(5)	Remuneration proposed	A gross remuneration of Rs. 50,000/- per month with liberty to Board to increase or decrease the remuneration. Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to Maximum of 100% of Annual Salary which may be increased/ decreased by the Board from time to time within the maximum permissible limits.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to him is just adequate.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Vijaysinh D. Chavda is son of Mr. Dineshsinh B. Chavada, Managing Director and Mrs. Hansaben D. Chavada, Director of the Company.
III	Other information:	
(1)	Reasons of loss or inadequate profits	NA
(2)	Steps taken or proposed to be taken for improvement.	NA
(3)	Expected increase in productivity and profits in measurable terms	NA

INSTRUCTIONS FOR REMOTE E-VOTING:

The instructions for members for voting electronically are as under:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The Remote E-voting period begins on 1st September, 2024 (Sunday) at 9.00 a.m. (IST) and ends on 3rd September, 2024 (Tuesday) at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28th August, 2024 may cast their vote electronically. The Remote E-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 3rd September, 2024.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide Remote E-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDEaS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. CDSL and NSDL

Login type	Helpdesk details
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 toll free no. 1800 22 55 33.
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.: 022- 48867000 and 022- 24997000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method of e-Voting for **shareholders other than individual shareholders & physical shareholders.**

- 1) The shareholders should log on to the e-voting website: www.evotingindia.com.
- 2) Click on “Shareholders” Module.
- 3) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with Company
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than Individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. · If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN (for **SANGINITA CHEMICALS LIMITED**) on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions Details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **ADDITIONAL FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS – FOR REMOTE EVOTING ONLY**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sanginitachemicals@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like 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/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at “toll free no. 1800 22 55 33”.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

- (xviii) Any person who acquires the shares of the Company and becomes the Member of the Company after dispatch of Notice and holding shares as on the cut-off date i.e. 28th August, 2024 may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting, then person becoming member can use their existing user ID and password for casting their vote.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The Company shall be making arrangements for the members to cast their votes in respect to the businesses through poll/ballot, for members attending the meeting who have not cast their vote by remote voting.
- (xxi) The Company has appointed Mr. Manoj Hurkat, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through Remote E-Voting in presence of at least two witnesses not in employment of the Company and make not later than two days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes casted in favour or against, if any, to the Chairperson or a person authorized by him in writing who shall countersign the same and Chairperson shall declare the results of voting forthwith, which shall not be later than 5:00 p.m., 6th September, 2024.
- (xxiii) The result declared, along with the Scrutinizer’s Report shall be placed on the Company’s website: www.sanginitachemicals.co.in and on the website of CDSL after the result is declared by the Chairperson and also be communicated to the National Stock Exchange where the equity shares of the Company are listed.

INSTRUCTIONS FOR E-VOTING DURING AGM:

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- (iii) If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- (iv) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM:

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id i.e. sanginitachemicals@yahoo.com.
- (vi) Shareholders who would like to express their views/have questions may send their questions in advance 7 days prior to meeting mentioning their name demat account number/folio number, email id, mobile number at company email id i.e. sanginitachemicals@yahoo.com. The same will be replied by the company suitably.

DIRECTORS' REPORT

To
The Members
SANGINITA CHEMICALS LIMITED

Your Directors take pleasure in presenting the **NINETEENTH** Annual Report of the Company together with Audited Financial Statements for the financial year ended on 31st March, 2024.

FINANCIAL SUMMARY/HIGHLIGHTS:

The brief financial results are as under:

	(Rs. In lakhs)	
Particulars	2023-24	2022-23
Gross Revenue from Operation	15150.30	14856.41
Other income	44.86	56.67
Total revenue	15195.16	14913.08
Profit/(Loss) before Depreciation and Tax	178.83	110.53
Less: Depreciation	74.43	55.32
Profit/(Loss) Before Tax and Extra Ordinary Items	104.40	55.21
Less: Extra Ordinary Items	Nil	Nil
Less: Current Tax	(21.36)	(12.70)
Deferred Tax	6.06	0.90
Profit/(Loss) After Tax	76.98	41.61
Add: previous year Profit/(Loss)	1655.34	1613.73
Balance Carried to Balance Sheet	1732.32	1655.34

The Gross revenue from operations of the Company for the year 2023-24 has increased from Rs. 14856.41 Lakhs to Rs. 15150.30 Lakhs. Moreover, profit before Depreciation and Tax stands increased from Rs. 110.53 Lakhs to Rs. 178.83 Lakhs.

SUBSIDIARY COMPANIES/JOINT VENTURE COMPANY/ASSOCIATE COMPANY:

The Company does not have any Subsidiary Companies or Joint Venture Company or Associate Company.

MATERIAL CHANGES AND COMMITMENT:

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and the date of the report.

REASONS FOR REVISION OF FINANCIAL STATEMENT OR REPORT:

During the year, the financial statement or report was not revised. Hence further details are not applicable.

DIVIDEND:

In order to conserve resources, your Directors express their inability to declare any dividend.

TRANSFER TO RESERVE:

Your Directors find it prudent not to transfer any amount to General Reserve.

RIGHTS ISSUE OF EQUITY SHARES:

The Board of Directors at their meeting held on 14th July, 2023 have approved to offer and issue equity shares by way of Rights Issue and obtained In-Principle approval dated 18th September, 2023 from NSE. Subsequently, the Board at its meeting held on 1st May, 2024 have approved the terms of Rights Issue and also approved the Final Letter of Offer for Rights Issue of 8633850 equity shares of Rs. 10/- each at the price of Rs. 18/- each aggregating to Rs. 15.54 Crores in ratio of 1 Right equity share for every 2 equity shares held by the existing equity shareholders as on the Record date i.e. 7th May, 2024. The Rights Issue remained open for subscription from 15th May, 2024 to 27th May, 2024. The Company is awaiting approval of NSE for the basis of allotment for allotment of Rights Equity Shares as on the date of this report.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Vijaysinh D. Chavda (DIN: 00479413), Whole Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself to be re-appointed as Director of the Company. The Board recommends the re-appointment of Mr. Vijaysinh D. Chavda as Director of the Company liable to retire by rotation.

There was no change in Director or Key Managerial Personnel during the year.

UTILISATION OF ISSUE PROCEEDS:

The Company is likely to receive proceeds of Rs. 15.54 Crores upon successful completion of its proposed Rights issue. The utilization of proceeds of the Rights issue will be reported after its deployment in due course.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis; and
5. that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with applicable Secretarial Standards during the year under review.

FORMAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of Audit and Nomination & Remuneration Committees based on the criteria and framework adopted by the Board.

NUMBER OF MEETINGS OF BOARD:

The Board of Directors duly met 5 (Five) times on 18th April, 2023, 14th July, 2023, 16th August, 2023, 13th October, 2023 and 11th January, 2024.

INDEPENDENT DIRECTORS:

The Company has received necessary Declaration from each Independent Director/s under section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence laid down in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors is of the opinion that the Independent Directors fulfils the criteria of independence and are independent from the management of the Company.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended vide Notification No. GSR.774(E), dated 18.12.2020, since majority of the Independent Directors of the Company have served as Directors for a period of not less than three (3) years on the Board of Listed Company as on the date of inclusion of their names in the database except Mr. Pramodsinh Dabhi, they are not required to undertake online proficiency self-assessment test. Mr. Pramodsinh D. Dabhi has informed the Company that he has duly passed the online assessment test.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS / SWEAT EQUITY SHARES / EMPLOYEE STOCK OPTION SCHEME:

During the year, the Company has not issued any equity shares with differential voting rights or sweat equity shares or shares under employee stock option scheme. Hence disclosure regarding the same is not given.

AUDITORS:

M/s. Devpura Navlakha & Co., Chartered Accountants, the existing Auditors of the Company were appointed as Statutory Auditors of the Company at 14th AGM for holding the office from the conclusion of that 14th AGM till the conclusion of 19th AGM. However, the term of appointment of five years of M/s. Devpura Navlakha & Co., Chartered Accountants ending at this Annual General Meeting. Hence, the Company needs to appoint any other Statutory Auditor for a term of five years.

The Company has received a Special Notice u/s 140 (4) of the Companies Act, 2013 from a member of the Company for appointing M/s. B. K. Chavda & Co., Chartered Accountant, Gandhinagar as Statutory Auditor of the Company. Further M/s B. K. Chavda & Co., Chartered Accountants are Peer reviewed Auditors and hence the Company will not require to Audit the Accounts separately from Peer Reviewed Auditors. Moreover, M/s. B. K. Chavda & Co., Chartered Accountant, Gandhinagar have given their consent to act as Statutory Auditor of the Company and also provided declaration that their appointment, if made shall be within the limit prescribed.

The members are requested to consider the matter of appointment of Auditors and also to fix their remuneration.

The Board has duly reviewed the Statutory Auditor's Report on the Accounts. The observations comments and notes of Auditor are self-explanatory and do not call for any explanation /clarification.

COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on recommendation of Audit Committee have appointed M/s. A G Tulsian & Co., Cost Accountants, as Cost Auditors of the Company for the financial year 2023-24. M/s A. G. Tulsian & Co. have confirmed that their appointment is within the limits of the Section 139 of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013.

The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company. The Cost Audit Report for the financial year 2022-23 was filed with the Ministry of Corporate Affairs on 4th September, 2023.

As required under the Companies Act, 2013 the remuneration payable to the Cost Auditor is required to be placed before the Members in the General Meeting for their ratification. Accordingly necessary resolution seeking Member's approval for ratification of remuneration payable to the Cost Auditor was approved by the members of the Company.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Company has appointed M/s. Manoj Hurkat & Associates, firm of Company Secretaries in Practice to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "**Annexure- 1**".

AUDIT COMMITTEE:

The Audit Committee consists of the following Directors:

1. Mr. Jagdishkumar Thakor Chairperson
2. Mr. Faiyazkhan Pathan Member
3. Mr. Vijaysinh Chavda Member

NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consists of the following Directors:

1. Mr. Faiyazkhan Pathan Chairperson
2. Mr. Jagdishkumar Thakor Member
3. Mr. Pramodsinh D. Dabhi Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee consists of the following Directors:

1. Mr. Faiyazkhan Pathan Chairperson
2. Mr. Jagdishkumar Thakor Member
3. Mr. Vijaysinh Chavda Member

RISK MANAGEMENT POLICY/PLAN:

It may please be noted that as per the applicable requirement of Companies Act, 2013 a risk management policy/plan of the Company is developed and implemented for creating and protecting the Shareholder's value by minimizing threats or losses and to identify and provide a framework that enables future activities of a Company to take place in a consistent and controlled manner.

VIGIL MECHANISM:

The Company has a vigil mechanism for its directors and employees, to deal with instance of fraud/ mismanagement, if any and to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details of the policy are posted on the website of the Company.

CODE OF BUSINESS CONDUCT AND ETHICS:

The Company has laid down a Code of Conduct (COC) which is applicable to all the Board members and Senior Management of the Company. The COC is available on the website of the Company <https://www.sanginitachemicals.co.in/Investor-Relation/d-01.pdf>. All the members of the Board and Senior Management have affirmed compliance with the Code.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment measures in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year, there were no complaints received under the said act. The Company has complied with all the applicable provisions of the said Act including the constitution of internal complaints committee.

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

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The Company's shareholders may refer the Company's website i.e. <https://www.sanginitachemicals.co.in/Investor-Relation/Other-Policies/Other-Policies-02.pdf> for the detailed Nomination & Remuneration Policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director; and other matters provided under sub-section (3) of Section 178.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

ANALYSIS OF REMUNERATION:

The details of remuneration paid to Directors and Key Managerial Personnel is given in extract of Annual Return placed on the website of the Company i.e. www.sanginitachemicals.co.in.

Disclosure/details pursuant to provisions of Section 197(12) of the Companies Act 2013 read with Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase in Remuneration
Mr. Dineshsinh B. Chavada (Chairperson & Managing Director)	3.33	Nil
Mr. Vijaysinh D. Chavda (Whole Time Director)	4.41	Nil
Mrs. Hansaben D. Chavada (Director)	0.65	Nil
Mr. Faiyazkhan Y. Pathan (Independent Director)	Nil	Nil
Mr. Jagdishkumar V. Thakor (Independent Director)	Nil	Nil
Mr. Pramodish D. Dabhi (Independent Director)	Nil	Nil
The median remuneration of employees of the Company during the financial year was Rs. 153036/- p.a.		
[C] Percentage increase/(decrease) in the median Remuneration of Employees	4.03%	
[D] Number of permanent Employees on the rolls of Company	60 (Sixty)	
[E] Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	There was increase of 0.47% in the average salaries of employees other than managerial personnel in the year 2023-24. There was decrease in the Managerial Remuneration in the year 2023-24 in view of the fact that the remuneration was not paid to some of the managerial personnel for some part of the financial year in view of mutual understanding between the Company and the respective Managerial Personnel. There was no significant change in the remuneration to CFO and CS in the year 2023-24.	

It is hereby affirmed that the remuneration is as per remuneration policy of the Company.

PARTICULARS OF EMPLOYEES:

The statement showing the names of the top ten employees in terms of remuneration drawn is given as "Annexure – 2."

There are no employees of the Company drawing remuneration requiring disclosure of information under Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DETAILS OF THE REMUNERATION TO MD/WTD (AS PER CLAUSE-IV OF SECTION-II OF PART-II OF SCHEDULE V):

- (i) All elements of the remuneration package such as salary, benefits, bonuses, stock options and pension: The details are given in Annual Return placed on the website of the Company.
- (ii) Details of fixed component and performance-linked incentives, alongwith the performance criteria:
The details are given in Annual Return placed on the website of the Company and performance criteria is linked with net profit of the Company.
- (iii) Service contracts, notice period and severancefees:
The term of Managing Director and Whole Time Director is valid till 22nd November, 2024. Notice period is 6 months on either side or the Company paying 6 months remuneration in lieu of such notice and no severance fees.
- (iv) Stock option details, if any, and whether these have been issued at a discount, as well as the period over which they accrued and how they are exercisable:
The Company has not granted any stock option.

REGULATORY ORDERS:

During the year, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CSR COMMITTEE:

As the requirement of CSR Committee is not applicable to the Company, no further details/disclosure required to be given in this regard.

DETAILS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A)	Conservation of energy	
	(i) the steps taken or impact on conservation of energy	The Company accords high priority to conservation of energy. However, there are no specific steps taken in this regard.
	(ii) the steps taken by the company for utilizing alternate sources of energy	The Company is not utilizing alternate sources of energy.
	(iii) the capital investment on energy conservation equipments	NIL
(B)	Technology absorption	
	(i) the efforts made towards technology absorption	NIL
	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	NIL
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	The Company has not imported any technology during the year. Hence, there are no details to be furnished under each of the sub clauses in this clause.
	(iv) the expenditure incurred on Research and Development	There are no expenditure incurred on Research and Development by the Company.
(C)	Foreign exchange earnings and Outgo	
	The Foreign Exchange earned in terms of actual inflows during the year and	Rs. 1240.25 Lakhs
	The Foreign Exchange outgo during the year in terms of actual outflows	Nil

INTERNAL FINANCIAL CONTROL:

The Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating effectively.

DEPOSITS:

During the year under report, your Company has not accepted any deposits pursuant to Section 73 of the Companies Act, 2013. Hence further details are not given.

Details of money accepted (if any during the year) by the Company from the Directors and/or the relatives of Directors of the Company are given in the notes to the Financial Statements and the same are not deposit as per the applicable provisions of Companies Act, 2013 and rules made thereunder.

CORPORATE GOVERNANCE:

The Corporate Governance Report forms an integral part of this Report and annexed hereto as “**Annexure 3**”, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015.

EXTRACT OF ANNUAL RETURN:

In Compliance to the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of the Annual Return of the Company for the financial year ended 31st March, 2024 has been available on the Company’s website at www.sanginitachemicals.co.in.

PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There are no Loans, Investments or Guarantees /Security given by the Company during the year under Section 186 of the Companies Act, 2013; hence no particulars are required to be given.

MANAGEMENT DISCUSSION AND ANALYSIS:

Necessary Management Discussion and Analysis Report, pursuant to Regulation 34(2)(e) of The SEBI (LODR) Regulations, 2015 is appended as “**Annexure - 4**” to Director’s Report.

RELATED PARTY TRANSACTION:

There are no particulars of contacts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 which are required to be reported in the prescribed form AOC-2. The details of related party transactions as per IND AS-24 are otherwise reported in the financial statements. The related party transactions are otherwise carried out in the ordinary course of business and on arm’s length basis and the same are in the best interest of the Company. The related party transactions are due to business exigencies.

APPRECIATION:

Your Directors wish to place on record their sincere appreciation for significant contribution made by the employees at all the levels through their dedication, hard work and commitment, thereby enabling the Company to boost its performance during the year under report.

Your Directors also take this opportunity to place on record the valuable co-operation and continuous support extended by its valued business associates, Practicing Company Secretary, Auditors, Supplier, Customers, Banks / Financial Institutions, Government authorities and the shareholders for their continuously reposed confidence in the Company and look forward to having the same support in all its future endeavors.

Place : Gandhinagar
Date : 30th May, 2024

By Order of the Board
Sd/-
Dineshsinh B Chavda
(DIN: 01497977)
Chairperson & Managing Director

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sanginita Chemicals Limited
(CIN: L24100GJ2005PLC047292)
301, 3rd Floor, Shalin Complex,
Sector-11, Gandhinagar-382011

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SANGINITA CHEMICALS LIMITED** (hereinafter 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 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 audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by 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. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equities) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) 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;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. There are no other laws applicable specifically to the Company in respect of the business/activities carried out by the Company which are required to be reported under this clause.

We further report that:

- a) The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors took place during the period under review.
- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, the following events /actions have taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

The Board of Directors at their meeting held on 14th July, 2023 have approved to issue of equity shares by way of Rights issue and also obtained In-Principle approval dated 18th September, 2023 from NSE by submitting Draft Letter of Offer which was approved by the Board of Directors at its meeting held on 16th August, 2023. Subsequently, the Board of Directors at its meeting held on 1st May, 2024 approved the terms of the Rights issue and also approved the Final Letter of Offer for Rights issue of 8633850 equity shares of Rs. 10/- each at the price of Rs. 18/- each aggregating to Rs. 15.54 Crores in the ratio of 1 right equity share for every 2 equity shares held by the existing equity shareholders of the Company as on the Record date i.e. 7th May, 2024. The Rights Issue remained open for subscription from 15th May, 2024 to 27th May, 2024. The Company is awaiting approval of NSE for the basis of allotment for the said Rights Issue as on the date of this report.

Barring this, no event/action has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place : Ahmedabad
Date : 30th May, 2024

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN:P2011GJ25800

Sd/-
MANOJ R HURKAT
Partner
FCS No. 4287, C P No.: 2574
UDIN: F004287F000473569

To,
The Members,
Sanginita Chemicals Limited
(CIN: L24100GJ2005PLC047292)
301, 3rd Floor, Shalin Complex,
Sector-11, Gandhinagar-382011

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. 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 opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The Secretarial audit was conducted in accordance with Auditing Standards issued by the Institute of Company Secretaries of India and in a manner which evolved such examinations and verifications as considered necessary and adequate for the said purpose.

For, MANOJ HURKAT AND ASSOCIATES

Practicing Company Secretaries

FRN:P2011GJ25800

Sd/-

MANOJ R HURKAT

Partner

FCS No. 4287, C P No.: 2574

UDIN: F004287F000473569

Place : Ahmedabad
Date : 30th May, 2024

Annexure-B to the Secretarial audit Report dated 30th May, 2024 of Sanginita Chemicals Limited

Sr. No	Compliance Requirement	Section/ Rule/ Regulation	Deviations/ Non Compliance	Observations/ Remarks of the Practicing Company Secretary
1.	The listed entity has to submit seven days advance notice for Book Closure in respect of Annual General meeting to Stock Exchange	Regulation 42 of the SEBI – LODR Regulations, 2015	Violation of Regulation 42 of the SEBI (LODR) Regulations, 2015 for delayed submission of intimation for Book Closure.	The Company has belatedly submitted the intimation under Regulation 42 for Book Closure for the purpose of 17 th AGM due to inadvertence for which the Company has paid a penalty of Rs. 10000/- plus GST as levied by the NSE.
2.	Submission of Annual Report with Stock Exchange after dispatch of the same to the members of the Company	Regulation 34 of the SEBI – LODR Regulations, 2015	Violation of Regulation 34 of the SEBI (LODR) Regulations, 2015 in delayed submission of Annual Report for the financial year 2021-22	The Company submitted the Annual Report for the financial year 2021-22 with delay of 16 days due to in advertence arising out of technical issues of NEAPS portal for which the Company has also paid a penalty of Rs. 32000/- plus GST as levied by the NSE.

Statement showing the names of the top ten employees in terms of remuneration drawn:

Name	Designation/ Nature of duties	Nature of employment whether contractual or otherwise	Relation with Director or Manager of the Company	Remune- ration (In ₹) p.a.	Qualifi- cation	Experience (Years)	Date of joining	Age (Years)	Last employment	% Equity shares held
1	2	3	4	5	6	7	8	9	10	11
Dineshsinh Bhimsinh Chavada	Managing Director	Otherwise	Husband of Mrs. Hansaben D. Chavada and Father of Mr.Vijaysinh D. Chavda	510000	B.Sc.	39	10.01.2007	64	Environmental Officer in Narmada Project of the Gujarat State	15.06%
Vijaysinh Dineshsinh Chavda	Whole time Director	Otherwise	Son of Mr. Dineshsinh B. Chavada and Mrs. Hansaben D. Chavada	675000	Diploma in Chemical Engineering	17	15.12.2005	43	Nil	2.18%
Sanginitaben D. Chavda	CFO Manager	Otherwise	Daughter of Mr.Dineshsinh B.Chavada and Mrs. Hansaben D. Chavada	427200	M.B.A.	7	01.01.2017	40	NIL	NIL
Sanjaykumar Kantilal Patel	General Manager	Otherwise	N.A.	343200	B. Sc.	32	01.06.2021	53	Jay Agro	NIL
Baldevbhai Bababhai Chauhan	Marketing Manager	Otherwise	N.A.	313200	B. Sc.	33	01.04.2022	55	Parekh Enterprise	NIL
Raysingbhai Dayhabhai Pateliya	Supervisor	Otherwise	N.A.	307200	B.A.	25	01.04.2022	50	Shyam Chemicals Pvt. Ltd.	NIL
Gulabbhai Bhurabbhai Pateliya	Supervisor	Otherwise	N.A.	307200	B.A.	21	01.04.2022	44	Nil	NIL
Shivshankar Tiwari	Supervisor	Otherwise	N.A.	301200	B.A.	31	01.04.2022	55	Suzuki Synthetics	NIL
Hitendrakumar Govindbhai Prajapati	Production Manager	Otherwise	N.A.	292800	B.A.	10	01.05.2020	38	Unity Organics Pvt. Ltd.	NIL
Kamleshbhai Mafabbhai Prajapati	A.O. Audit	Otherwise	N.A.	289200	B. Com	15	01.04.2022	38	Nil	NIL

CORPORATE GOVERNANCE REPORT**1. Company's Philosophy on Corporate Governance**

Sanginita Chemicals Limited ("Sanginita") is committed to do business in an efficient, responsible, honest and ethical manner. The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, fairness and accountability in all facets of its functioning. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedication to increase long-term stakeholder's value.

2. Board of Directors**A. Composition of the Board:**

As per the requirement of SEBI (LODR) Regulations, 2015, the Structure of Board of the Company maintains an optimum combination of Executive, Non-Executive Directors and Independent Directors. The Composition of the Board is in conformity with the Listing requirements. The detailed composition of the Board of Directors as on 31st March, 2024, their category and their Directorship in the companies and Membership/Chairmanship in the Committees of the Board are given below:

Sr. No.	Name of the Director	Position/Category++	* Number of Directorship as on 31.03.2024 including Sanginita	Number of Directorship in Listed Company including Sanginita	** Number of Membership/ Chairmanship in Board Committee as on 31.03.2024 including Sanginita	
					Membership+	Chairmanship
1	Mr. Dineshsinh B. Chavada	Chairperson & Managing Director	1	1	-	-
2	Mr. Vijaysinh D. Chavda	Whole Time Director	1	1	2	-
3	Mrs. Hansaben D. Chavada	Director	1	1	-	-
4	Mr. Faiyazkhan Y. Pathan	Independent Director	1	1	2	1
5	Mr. Jagdishkumar V. Thakor	Independent Director	1	1	2	1
6	Mr. Pramodsinh D. Dabhi	Independent Director	1	1	-	-

+ Membership excludes Chairmanship.

*Excluding Directorship held in Foreign Companies.

** Indicates Membership/Chairmanship in the Audit Committee and Stakeholders Relationship Committee (excluding Private Limited Companies, Foreign Companies and Section 8 Companies).

++ Mr. Dineshsinh B. Chavada is father of Mr. Vijaysinh D. Chavda and husband of Mrs. Hansaben D. Chavada. Barring this none of the Directors are related interse.

The Board of Directors have identified the below mentioned skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

Sr. No.	skills / expertise / competencies	Name of Directors
1.	Knowledge of legal, taxation, IT, marketing, etc. (specialized professional skill)	1. Dineshsinh B. Chavada 2. Vijaysinh D. Chavda 3. Faiyazkhan Y. Pathan 4. Jagdishkumar V. Thakor 5. Pramodsinh D. Dabhi
2.	Knowledge of accounts and finance (ability to read and understand financial statement),	1. Dineshsinh B. Chavada 2. Vijaysinh D. Chavda 3. Faiyazkhan Y. Pathan 4. Jagdishkumar V. Thakor 5. Pramodsinh D. Dabhi
3.	Knowledge of Chemicals business	1. Dineshsinh B. Chavada 2. Vijaysinh D. Chavda
4.	Knowledge of HR, general administration and management	1. Dineshsinh B. Chavada 2. Vijaysinh D. Chavda 3. Hansaben D. Chavada 4. Faiyazkhan Y. Pathan 5. Jagdishkumar V. Thakor 6. Pramodsinh D. Dabhi

B. Board Meetings held during the year 2023– 24:

The Board of Directors meets at regular intervals to discuss and decide on various issues including strategy related matters pertaining to the business/ Company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation in the Meetings of the Company. Apart from this, the Meetings of the Board are also convened or the approval of the Board is obtained through circulation of resolution to all the Directors in case some urgent/special situation arises. Such circular resolution is also confirmed in the next Board Meeting. Further when it is not possible to attend meeting physically, the Directors may use video conferencing facility to enable their participation. Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively.

During the year 2023 - 2024, the Board met 5 (Five) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	18 th April, 2023
2	14 th July, 2023
3	16 th August, 2023
4	13 th October, 2023
5	11 th January, 2024

C. Attendance of each Director at the Board Meeting during the year 2023– 2024 and at last AGM was as follows:

Sr. No.	Name of the Director	Number of Board Meetings held during their tenure as Director	Number of Board Meetings attended	Attendance at last AGM held on 8 th July, 2023
1	Mr. Dineshsinh B. Chavada	5	5	Yes
2	Mr. Vijaysinh D. Chavda	5	5	Yes
3	Mrs. Hansaben D. Chavada	5	5	Yes
4	Mr. Faiyazkhan Y. Pathan	5	5	Yes
5	Mr. Jagdishkumar V. Thakor	5	5	Yes
6	Mr. Pramodsinh D. Dabhi	5	5	Yes

3. Audit Committee:

The composition of the Audit Committee as on 31st March, 2024 is as follows:

1. Mr. Jagdishkumar V. Thakor - Chairperson
2. Mr. Faiyazkhan Y. Pathan – Member
3. Mr. Vijaysinh D. Chavda - Member

Ms. Saroj Jagetia, Company Secretary acted as a Secretary to the Audit Committee.

Note:

At least two third members of the Audit Committee are Independent Directors including the Chairperson of the Audit Committee being an Independent Director and having financial and accounting knowledge.

The role, term of reference, authority and powers of the Audit Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company.

During the year 2023- 2024, the Audit Committee met 4 (Four) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	18 th April, 2023
2	14 th July, 2023
3	13 th October, 2023
4	11 th January, 2024

The attendance of the Members at the Audit Committee Meetings during the year 2023 - 2024 was as follows:

Sr No.	Name of the Audit Committee Members	Number of Audit Committee Meetings held while holding the office	Number of Audit Committee Meetings attended
1	Mr. Jagdishkumar V. Thakor	4	4
2	Mr. Faiyazkhan Y. Pathan	4	4
3	Mr. Vijaysinh D. Chavda	4	4

The Chairman of the Audit Committee remained present at the Annual General Meeting of the Company held on 8th July, 2023 to answer shareholders queries.

4. Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on 31st March, 2024 is as follows:

1. Mr. Faiyazkhan Y. Pathan - Chairperson
2. Mr. Jagdishkumar V. Thakor – Member
3. Mr. Pramodsinh D. Dabhi - Member

The role, term of reference, authority and powers of Nomination and Remuneration Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company.

During the year 2023- 2024, the Nomination and Remuneration Committee met once on 14th July, 2023. All the members of the Committee remained present in that meeting.

The details on performance evaluation criteria for Directors including Independent Directors are already provided under the head “Board Evaluation” in the Director’s Report.

5. Remuneration/Sitting Fees to Directors

i) Remuneration to Directors:

During the Financial Year 2023-24, the Company has paid remuneration of Rs. 11.85 Lakhs to Executive Directors of the Company pursuant to approval of Members at the Annual General Meeting held on 30th August, 2022 for payment of remuneration.

ii) Sitting Fees to Directors:

The Board of Directors are not paying any amount of Sitting Fees to the Directors for attending the meetings of Board and Committee.

iii) Terms of appointment of Managing Director:

Mr. Dineshsinh B. Chavada has been appointed as Managing Director of the Company w.e.f. 23rd November, 2021 and Mr. Vijaysinh D. Chavda has been appointed as Whole Time Director of the Company w.e.f. 23rd November, 2021.

Mrs. Hansaben D. Chavada holds 5,77,660 equity shares of the Company. Apart from this no other non-executive Director holds any shares in the Company.

6. Stakeholders Relationship Committee:

The composition of the Stakeholders Relationship Committee as on 31st March, 2024 is as follows:

1. Mr. Faiyazkhan Y. Pathan - Chairperson
2. Mr. Jagdishkumar V. Thakor - Member
3. Mr. Vijaysinh D. Chavda - Member

During the year 2023-2024, the Stakeholders Relationship Committee met twice on 13th October, 2023 and 11th January, 2024. All three members of the Committee were present in both the meetings.

The status of shareholders complaint as on 31st March, 2024 is as follows:

Particulars	Opening as on 01.04.2023	Received* during the year	Disposed during the year	Balance as on 31.03.2024
No. of complaints	NIL	NIL	NIL	NIL

Ms. Saroj Jagetia, Company Secretary acted as Compliance Officer of the Company.

7. General Body Meetings

A. Schedule of the last three Annual General Meetings of the Company is presented below:

Year	Date & Time of AGM	Venue	Special Resolutions passed
2022-23	8 th July, 2023 12.00 Noon	301, 3rd Floor, Shalin Complex, Sector – 11, Gandhinagar - 382011 (Through VC)	Re-appointment of Mr. Pramodsinh D. Dabhi (DIN: 08441361) as an Independent Director of the Company for second term of 5 consecutive years
2021-22	30 th August, 2022 12.00 Noon	301, 3rd Floor, Shalin Complex, Sector – 11, Gandhinagar - 382011 (Through VC)	1. Re-Appointment of Mr. Dineshsinh B. Chavada (DIN: 01497977) as Managing Director of the Company for 3 Years w.e.f. 23 rd November, 2021. 2. Re-Appointment of Mr. Vijaysinh D. Chavda (DIN: 00479413) as Whole Time Director of the Company for 3 Years w.e.f. 23 rd November, 2021.
2020-21	31 st August, 2021 12.00 Noon	301, 3rd Floor, Shalin Complex, Sector – 11, Gandhinagar - 382011 (Through VC)	Nil

B. Postal Ballot:

Whether the Special Resolution was put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No Postal Ballot was conducted

Whether Special Resolution are proposed to be conducted through postal ballot: No

Procedure of Postal Ballot: Not Applicable.

8. Disclosures

There are certain transactions with related parties which have been disclosed at the relevant place in the Notes to the Annual Accounts. No such related party transactions may have potential conflict with the interests of the Company at large.

There is no non-compliance on any capital market related matter since the listing of Company's security on Stock Exchanges. Further, no penalty has been imposed either by SEBI or Stock Exchanges or any Statutory Authority on any capital market related matter during the last three years.

A. Means of Communication

The Financial Results of the Company are normally published in one National newspaper in English in Free Press Gujarat and one Regional newspaper in Lokmitra (Gujarati language). These results can also be viewed from the Company's website www.sanginitachemicals.co.in. Further, the Financial Results and other required filings of the Company can also be viewed on the website of The National Stock Exchange of India Limited (www.nseindia.com).

B. Code of Conduct**Code of Conduct for Directors and Senior Management:**

The Board of Directors of the Company have adopted a Code of Conduct and made it applicable to the Board Members and Senior Management of the Company. The same has also been posted on the website of the Company.

The Board and Senior Management of the Company have affirmed compliance with the Code. The declaration by MD & CFO to this effect has been made elsewhere in this Annual Report.

Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders:

Pursuant to the requirements of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Company Secretary acts as the Compliance Officer. This Code of Conduct is applicable to the Designated Person(s), employees and the Immediate Relative(s) of such Designated Persons and employees of the Company who can have access to Unpublished Price Sensitive Information relating to the Company.

C. Ethical Behavior and Vigil Mechanism

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has an Ethical Behaviour and Vigil Mechanism for Directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Code of Conduct of the Company. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Management affirms that no employee of the Company was denied access to the Audit Committee.

D. Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions

As required under Regulation 23 of the SEBI (LODR) Regulations, 2015, the Company has formulated a Related Party Transactions Policy. The Policy is available on the website of the Company <https://www.sanginitachemicals.co.in/Investor-Relation/g-01.pdf>.

E. Appointment of Independent Directors

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the applicable Corporate Governance requirements. The terms and conditions of appointment have also been disclosed on the website of the Company. The Board of Directors confirms that all the Independent Directors of the Company fulfill the criteria of Independence as per requirements.

F. Familiarization Programme for Independent Directors

Pursuant to provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Familiarization Programme for Independent Directors. The Programme aims to familiarize Independent Directors with activities of the Company so as to enable them to make effective contribution and to assist them in discharging their functions as a Board Member. The Company's Policy on Familiarization Programme for Independent Directors has been disclosed on the website of the Company <https://www.sanginitachemicals.co.in/Investor-Relation/i-01.pdf>.

G. Credit Rating

The Company has not obtained any credit rating during the year for any debt instruments or fixed deposit programme.

H. Utilization of funds

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified in the Listing Regulations.

I. Certificate from a Practicing Company Secretary

The Company has obtained a certificate from Manoj Hurkat & Associates, Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

J. Fees paid to the Statutory Auditors

During the financial year 2023–2024, M/s Devpura Navlakha & Co., the Statutory Auditors of the Company were paid fees for audit and providing other services as per below details:

Name of the Company	Fees paid (Rs.)		Total (in Rs.)
	For Statutory Audit	For providing other services	
Sanginita Chemicals Limited	85000	28000	113000

K. Disclosure of Sexual Harrasment of Women at Workplace:

The Company has formed a Committee headed by Mrs. Hansaben D. Chavada to look after the matters of Sexual Harassment of women in the Company; during the year, Committee has not received any complaint from any woman employee of the Company. The Company has complied with all the requirement and provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

L. General Shareholders Information

1. Schedule & Venue (Tentative) of the 19th Annual General Meeting of the Company:

Date & Day : 4th September, 2024, Wednesday
 Time : 12.00 Noon
 Venue : 301, 3rd Floor, Shalin Complex, Sector – 11, Gandhinagar - 382011 (Deemed Venue)

2. Financial Year and Calendar:

The Financial Year of the Company starts on 1st April and ends on 31st March every year.
 Financial Calendar for 2024 - 2025 (Tentative Schedule) for adoption of quarterly results for:
 Quarter ending 30th June, 2024 Before 14th August, 2024
 Quarter ending 30th September, 2024 Before 14th November, 2024
 Quarter ending 31st December, 2024 Before 14th February, 2025
 Quarter & Year ending 31st March , 2025 (Audited) Before 30th May, 2025

3. Book Closure Date:

Wednesday, 28th August, 2024 to Wednesday, 4th September, 2024 (both days inclusive) (Tentative)

4. Listing on Stock Exchanges and Scrip Codes:

Name of Stock Exchanges	Scrip Code
1. National Stock Exchange of India Limited (NSE)	SANGINITA

Note: The necessary listing fees has already been paid to the Stock Exchanges.

M. Stock Market Data:

Market Price Data in NSE is as follows:

Month	NSE Nifty		Company's Share price on NSE	
	High	Low	High	Low
April 2023	18089.15	17312.75	20.75	18.50
May 2023	18662.45	18042.40	21.00	16.50
June 2023	19201.70	18464.55	20.90	17.50
July 2023	19991.90	19234.40	20.25	17.80
August 2023	19795.60	19223.70	23.75	17.35
September 2023	20222.50	19255.70	27.15	21.15
October 2023	19849.80	18837.90	27.00	20.25
November 2023	20158.70	18973.70	28.55	22.85
December 2023	21801.50	20183.70	29.40	22.55
January 2024	22124.20	21137.20	44.45	28.30
February 2024	22297.50	21530.20	34.05	26.95
March 2024	22526.60	21710.20	26.90	19.10

N. Registrar and Share Transfer Agent and Share Transfer System:

The Company has appointed Purva Sharegistry (India) Private Limited as the Registrar and Share Transfer Agent of the Company for both Physical as well as Demat mode.

The Company has entrusted Purva Sharegistry (India) Private Limited with the responsibility of ensuring effective resolution and disposal of all kinds of investor grievances such as Demat, Remat, non-receipt of Dividend, etc.

Investors may contact our Registrar and Share Transfer Agent at the following address for their queries:

M/s Purva Sharegistry (India) Private Limited

9, Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400011

Tel: +91-22-23016761 Fax: +91-22-23012517 Email: support@purvashare.com Website: www.purvashare.com

O. Distribution of Shareholding:

Distribution of shareholding as on 31st March, 2024 is given below:

Category (Amount of Share)	No. of Shareholders	% of No. of Shareholders	No. of Shares held	% of Shareholding
1-5000	9215	81.40	1127434	6.53
5001-10000	961	8.49	801460	4.64
10001-20000	527	4.66	805505	4.67
20001-30000	231	2.04	601734	3.49
30001-40000	80	0.71	284678	1.65
40001-50000	92	0.81	436531	2.53
50001-100000	148	1.31	1091929	6.32
100001 & above	66	0.58	12118429	70.18
Total	11320	100.00	17267700	100

P. Dematerialization of Shares and its liquidity:

17267700 Equity Shares representing 100% of the total Equity Shares of the Company are held in Dematerialized Form as on 31st March, 2024.

Q. Address for correspondence with the Company:

The address for correspondence with the Company is given below:

Sanginita Chemicals Limited

301, 3rd Floor, Shalin Complex, Sector – 11, Gandhinagar - 382011

Ph.: 079-23240270

Web-site: www.sanginitachemicals.co.in

Email: dbchavada@yahoo.co.in

R. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversions date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Place : Gandhinagar
Date : 30th May, 2024

For and on behalf of the Board
Dineshsinh B. Chavada
(DIN:01497977)
Chairperson & Managing Director

Annexure to the Corporate Governance Report

To
The Shareholders,
Affirmation of Compliance with Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Conduct from all the Directors and the Senior Management Personnel of the Company, as applicable to them, for the financial year ended on 31st March, 2024.

Place : Gandhinagar
Date : 30th May, 2024

For Sanginita Chemicals Limited
Dineshsinh B. Chavada
(DIN:01497977)
Chairperson & Managing Director

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C OF Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
SANGINITA CHEMICALS LIMITED
(CIN: L24100GJ2005PLC047292)
301, 3rd Floor, Shalin Complex,
Sector-11, Gandhinagar-382011

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SANGINITA CHEMICALS LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including Director Identification Number [DIN] status at the portal www.mca.gov.in) 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 ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Dineshsinh B. Chavada	01497977	10/01/2007
2.	Vijaysinh D. Chavda	00479413	15/12/2005
3.	Hansaben D. Chavada	00479509	15/12/2005
4.	Faiyazkhan Y. Pathan	07702208	10/01/2017
5.	Jagdishkumar V. Thakor	07702521	10/01/2017
6.	Pramodsinh D. Dabhi	08441361	11/05/2019

Ensuring the eligibility 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 same 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, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries
FRN:P2011GJ25800

Place : Ahmedabad
Date : 30th May, 2024

Sd/-
MANOJ R HURKAT
Partner
FCS No. 4287, C P No.: 2574
UDIN: F004287F000473657

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members

SANGINITA CHEMICALS LIMITED

(CIN: L24100GJ2005PLC047292)

301, 3rd Floor, Shalin Complex, Sector 11,

Ganhinagar - 382 011, Gujarat

We have examined all relevant records of SANGINITA CHEMICALS LIMITED ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended on 31st March, 2024. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended on 31st March, 2024.

This certificate 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, MANOJ HURKAT AND ASSOCIATES

Practicing Company Secretaries

FRN:P2011GJ025800

Sd/-

MANOJ R HURKAT

Partner

FCS No. 4287, C P No.: 2574

UDIN: F004287F000473681

Place : Ahmedabad

Date : 30th May, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

This section contains certain forward-looking statements which are based on certain assumptions and expectations of certain future events.

Overall Review

The Company is engaged mainly in production of Cuprous Chloride, Cupric Chloride and Copper Sulphate at its factory situated at 1133, Near GIDC Phase-4 Chhatral, AT & P.O. Chhatral, Ta. Kalol, Gandhinagar (Gujarat) with the optimum total producing capacity. In addition, our Company has also undertaken production of various other chemical products.

The Company installed manufacturing capacity of following three major products viz. Cuprous Chloride, Copper Sulphate and Cupric Chloride & Other Products as 6,000 MT / P.A., 5,400 MT / P.A. and 800 MT / P.A. respectively. These products are widely used in dyes and pigment industries, paint industries, pharmaceuticals industries, electroplating industries, metal extraction industries and ink, Carbon paper, PVC pipe coating industries etc.

The Company is currently located and supplying the products in India including supply to Merchant Exporter. However, since last years, the Company has started Direct Export its products.

Industry Structure and developments

Chemical industry is one of the oldest industries in India. It does not only play a crucial role in meeting the daily needs of the common man, but which are required in almost all walks of life. Over the last decade, the Indian Chemical industry has evolved from being a basic chemical producer to becoming an innovative industry. With investments in R&D, the industry is registering significant growth in the knowledge sector comprising of specialty chemicals, fine chemicals and pharmaceuticals. With Asia's growing contribution to the global chemical industry, India emerges as one of the focus destinations for chemical Companies worldwide. With the current size of approximately \$108 billion, the Indian chemical industry accounts for 3% of the global chemical industry. Two distinct scenarios for the future emerge, based on how effectively the industry leverages its strengths and manages challenges. Specialty chemical segment in India is poised for substantial growth and offers immense potential for investment as well as employment generation.

Financial Performance with respect to Operational Performance

The Gross revenue from operations of the Company for the year 2023-24 has increased from Rs. 14856.41 Lakhs to Rs. 15150.30 Lakhs. The Profitability of the Company was increased by 85% and reached to 76.98 Lakhs (PAT) from 41.61 Lakhs.

Financial Performance:

(Rs. In Lakhs)

Particulars	Current Year Ended 31.03.2024	Previous Year Ended 31.03.2023
Revenue from Operations(Gross)	15150.30	14856.41
Add: Other Operating Income	-	-
Less: Total Expenditure	14664.50	14856.41
Profit before other income, interest, depreciation & tax	485.80	303.83
Add: Other Income	44.86	56.67
Profit before Interest Depreciation & Tax [PBIDT]	440.94	360.50
Add: Interest Income	-	-
Earnings before Interest, Tax and Depreciation (EBITDA)	440.94	360.50
Less: Interest Expense	262.11	249.97
Less: Depreciation	74.43	55.32
Profit before tax	104.40	55.21
Less: Tax Expenses	27.42	13.60
Profit for the year	76.98	41.61

Details of significant changes in key financial ratios are as given below:

Sr. No.	PARTICULARS	UOM	F.Y. 2022-23	F.Y.2023-24	GrowthYOY
1	Contribution to Exchequer	Lakhs	2698.59		
2	Revenue Growth	%	(24.99%)	1.98%	1.98%
3	EBITDA	Lakhs	360.50	440.94	22.31%
4	EBITDA MARGIN	%	2.43%	2.91%	0.48%
5	PBT	Lakhs	55.21	104.4	89.10%
6	PAT	Lakhs	41.61	76.98	85%
7	Net Worth	Lakhs	4013.68	4079.41	1.64%
8	ROE %	%	1.04	1.89	81.73%
9	NET DEBT	Lakhs	2858.00	3286.59	15%
10	Debt	Weight	1.66	1.90	-
	Equity		1.00	1.00	-
11	Working Capital Ratio	Times	1.89	1.85	2.12%
12	Fixed Assets Turnover Ratio	Times	38.72	27.01	30.24%
13	Debt Service Coverage Ratio	Times	1.41	1.61	11.35%
14	Inventory Turnover Ratio	Times	5.37	5.89	9.68%
15	Debtors Turnover Ratio	Times	7.16	7.16	-
16	Interest Coverage Ratio	Times	1.44	1.68	16.67%

There has been some improvement in the profitability of the Company during the financial year 2023-24 as the Company is recovering from the adverse effects of COVID-19 which also resulted into improvement in EBITDA, PBT, PAT and ROE. In view of slight increase in turnover, cost reduction, increase in profitability and reduction in fixed assets due to depreciation in normal course etc, there has been improvement in fixed assets turnover and interest coverage ratio.

Internal Control Systems and their adequacy

The Company practices an internal control system which ensures proper handling and management of its assets. The internal control system of the Company is geared towards achieving efficiency in operations, effective monitoring and compliances with all applicable laws and regulations. The Company regularly conducts internal audit programs. The internal control department of the Company functions under the guidelines of the Audit Committee of the Company.

The Company regularly reviews the adequacy and effectiveness of the internal control system and suggests improvement for strengthening them.

Opportunities and threats

While the domestic and International economic conditions continue to remain challenging and are expected to remain for some more time, we expect that with wide range of products, quality standards and team efforts, your Company will be in a position to wither this situation. Your Company has continued to be the preferred supplier of many leading Companies and has been successful in expanding its approval base, adding leading players from the industry. Therefore, we expect that Your Company will continue to be in a position to gradually expand its market reach and market share as per opportunities.

The Company regularly insures all its assets to enable itself in case of any mis-happening. The Company has framed a risk management team which constantly monitors the Indian and international markets and guides the management of any sort of prevailing risk to the company. The commodities prices being internationally traded are affected by the global market demand and supply forces and the dollar rate. The risk management team plays a major role here. Moreover, the industry is labour oriented and business operations of the Company may be materially affected by strikes, lock outs or work stoppage.

Material Developments in Human Resources and Industrial Relations Front:

As the Company continues to grow, the focus has been on enhancing morale and capabilities of employees. The staff and workers are provided orientation and training for the development of soft and hard skills on a regular basis. Human Resource is a precious asset of your Company. Efforts are made to improve the performance, providing work satisfaction and performance based increments, safety and social status. The Industrial relations remained cordial at all organizational levels and work places. The Company makes regular efforts to maintain relation with Stakeholders by transparency, good governance, regular communication and effective transactions.

Outlook and Opportunities

Indian chemical industry is expected to register a growth of 8-9% in the next decade and is expected to double its share in global chemical industry to 5-6% in a very short time of period. Indian Chemical industry has the potential to grow significantly provided some of the key growth imperatives are taken care of. Securing Feedstock, Right Product Mix, M&A opportunities are currently the key imperatives for chemical industry in India. Few investment opportunities can be highlighted as:

- Chemical companies in India can either explore alternate feedstock or invest in setting up plants in resource rich nations to secure feedstock.
- Companies need to invest in exploring the right product mix to be competitive and profitable using the available feedstock in India i.e. Naphtha and its derivatives.
- Indian companies can explore possible Merger, JV opportunities for technology, capital or access to international market by taking advantage of increasing expansion of western companies in India.
- Chemical companies can invest in exploring strategic energy management and strategic water management to cut down their energy costs and contain water availability concerns.
- Companies can invest in upcoming PCPIRs in India and overcome challenges related to infrastructure, power and water availability.
- There are good opportunities in segments such as Specialty Chemicals, Specialty Polymers, for catering to huge emerging domestic demand as also as a manufacturing hub.

Risks and Concerns

The Company regularly insures all its assets to enable itself in case of any mishappening. The Company has framed a risk management division which constantly monitors the Indian and international markets and guides the management of any sort of prevailing risk to the Company.

Environment and Safety

The Company is committed to comply with the statutory requirements related to environment, health, safety and to prevent pollution through continuous improvement in processes, practices and EHS awareness. Your Company not only cares for compliances in this aspect but also contributes towards society health, safety and green environment.

Material Developments in Human Resources and Industrial Relations Front, including number of people employed

The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock out etc.

Cautionary Statement

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

By Order of the Board

**Sd/-
Dineshsinh B Chavada
(DIN: 01497977)**

Chairperson & Managing Director

**Place : Gandhinagar
Date : 30th May, 2024**

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sanginita Chemicals Ltd.

Report on the audit of the Standalone Ind AS financial statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Sanginita Chemicals Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 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 ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Ind AS Financial Statements").

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 March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone Ind AS Financial Statements in accordance with the standards on auditing (SAs) as specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone Ind AS 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Principal Audit Procedures/ Auditor's Response
1	Appropriateness of Current / Non-current classification	For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents. The classification of assets and liabilities has been done on the basis of documentary evidences. Where conclusive evidences are not available, the classification has been done on the basis of management's best estimate of the period in which the assets would be realized or the liabilities would be settled. We have evaluated the reasonability of the management's estimates.
2	Inventories	The company is engaged in the business of manufacturing of Chemicals. Inventories includes Copper material in Copper Sulphate Mother Liquor (In Liquid Form) and Copper material in Cupric Chloride Mother Liquor (In Liquid Form). The Company have technical Director who himself a Chemical Engineer who is involved in the valuation part of inventory. Therefore we have taken the valuation of these material in inventory valuation, as certified by the management.

Information other than the standalone Ind AS financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Ind AS 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 Ind AS 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS 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 accounting principles generally accepted in India, including the Indian accounting standards (Ind AS) specified under section 133 of the Act read with the companies (Indian Accounting standards Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS 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 Ind AS 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.

The Board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements:

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 controls 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 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 Ind AS 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 Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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, Statement of Changes in Equity and the Statement of Cash Flows 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to these standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- 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 period 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) As explained, the Company does not have any pending litigations which would impact its financial position;
 - ii) As explained, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) As explained to us, no such amount is required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and the rules made there under.
 - 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 ("Intermediates"), 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) The company has not declared any dividend during the year;

- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software except that the audit trail feature of Tally prime software used by the company operates from dated 16.08.2023. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
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 of the Order.

For & behalf of
Devpura Navlakha & Co.
FRN-121975W
Chartered Accountants
Sd/-

Rahul R. Modi
(Partner)
(Membership No. 184321)
UDIN-24184321BKABZI7491

Place : Ahmedabad

Date : 30/05/2024

ANNEXURE "A" TO THE 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 **Sanginita 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")

We have audited the internal financial controls over financial reporting of Sanginita **Chemicals Ltd.** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 of the 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 timely preparation of reliable financial information, as required under the companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Standalone Ind AS Financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting with reference to these Standalone Ind AS Financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Standalone Ind AS Financial Statements.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies

and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) 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 financial statements.

Inherent Limitations of internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements.

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control 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

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March, 31 2024, 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.

For & behalf of
Devpura Navlakha & Co.
FRN-121975W
Chartered Accountants
Sd/-

Rahul R. Modi
(Partner)
(Membership No. 184321)
UDIN-24184321BKABZI7491

Place : Ahmedabad
Date : 30/05/2024

“ANNEXURE B” TO INDEPENDENT AUDITORS’ REPORT

This is an annexure on the accounts of **Sanginita Chemicals Ltd.** as referred above in paragraph 2 under the heading ‘Report on other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind AS financial statement for the year ended **31st March, 2024**:

I. In respect of Property, Plant and Equipment:

- (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company is not having any intangible assets as on 31/03/2024, therefore paragraph 3(i) (a) (B) of the order is not applicable.
- (b) As explained to us, the company has a regular program of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this program certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) On the basis of information and explanation given to us and records examined, the title deeds of immovable properties are held in name of the company.
- (d) On the basis of information and explanation given to us and records examined, the company has not revalued its Property, Plant and Equipment during the year.
- (e) On the basis of information and explanation given to us, there is no any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

II. In respect of Inventories :

- (a) The management has conducted physical verification of inventory at reasonable intervals. In our opinion, the procedure followed by the management for such physical verification is reasonable and adequate in relation to the size of the Company and nature of his business. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on verification between physical inventories and the book records.
- (b) The company has sanctioned working capital limits in excess of Five Crore Rupees from bank on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks in agreement with the books of account of the company.
- III. The Company has not made any investment or provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act., therefore, paragraph 3 (iii) (a) to (f) of the Order are not applicable .
- IV. In our opinion and according to the information and explanations given to us, the Company has not advanced loans, given guarantees and provided securities to its directors and/or persons or firm or companies in which directors are interested. Accordingly, therefore paragraph 3 (IV) of the order is not applicable.
- V. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public and therefore paragraph 3 (v) of the order is not applicable.
- VI. We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records u/s. 148 (1) of the Companies Act. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- VII. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Cess, Goods & Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.
- (b) There is no any statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute as at March 31, 2024.
- VIII. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (43 of 1961) therefore clause 3 (viii) of the order is not applicable.
- IX. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to lender therefore paragraph 3 (ix) (a) of the order is not applicable .
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or any other lender, therefore paragraph 3 (ix) (b) of the order is not applicable
- (c) The company has not taken any term during the year therefore paragraph 3 (ix) (c) of the order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that during the year the company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- X. (a) Based upon the audit procedures performed and the information and explanations given by the management, during the year, the company has not raised moneys by way of initial public offer or further public offer including debt instruments.
- (b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and accordingly paragraph 3 (x) (b) of the order is not applicable.

- XI. (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company has been noticed or reported during the period.
- (b) There is no any report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (e) As represented to us by the management, there are no whistle blower complaints received by the company during the year”.
- XII. In our opinion and according to the information and explanations given to us the Company is not a Nidhi Company. Therefore, the paragraph 3 (xii) of the order is not applicable.
- XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in notes to Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- XIV. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business
- (b) We have considered, the internal audit report for the year under audit, issued to the company during the year, in determining the nature, timing and extent of our audit procedures.
- XV. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him, therefore paragraph 3 (xv) of the order is not applicable.
- XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the order is not applicable.
- XVII. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- XVIII. During the year, there has been no resignation of the statutory auditors, therefore, clause 3 (xviii) of the order is not applicable.
- XIX. According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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 provision of section 135 of the companies Act, 2013 is not applicable to the company, therefore. Paragraph 3 (xx) of the order is not applicable.
- XXI. This report deals with standalone financial statement, therefore paragraph 3 (xxi) of the order is not applicable.

For & behalf of
Devpura Navlakha & Co.
FRN-121975W
Chartered Accountants

Sd/-

Rahul R. Modi

(Partner)

(Membership No. 184321)

UDIN-24184321BKABZI7491

Place : Ahmedabad

Date : 30/05/2024

BALANCE SHEET AS AT 31/03/2024

(Amount in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
(a) Property, Plant and Equipment	5	719.98	401.59
(b) Capital work-in-progress		-	-
(c) Investment Properties	6	42.16	44.49
(d) Intangible Assets		-	-
(e) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other		-	-
(f) Other Non Current Assets	7	24.22	473.77
II. Current assets			
(a) Inventories	8	2994.55	2691.85
(b) Financial Assets			
(i) Trade receivables	9	2640.98	2548.68
(ii) Cash and cash equivalents	10	2.05	2.72
(c) Other current assets	11	2168.98	1786.80
Assets held-for-sale / Assets included in disposal group(s) held-for-sale		-	-
TOTAL ASSETS		8592.92	7949.90
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	1726.77	1726.77
(b) Other Equity	13	2352.64	2286.91
Liabilities			
I. Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	278.30	206.50
(b) Deferred tax liabilities (Net)	15	10.18	4.65
II. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	3008.29	2651.50
(ii) Trade payables	17		
(A) Total outstanding dues of creditors micro enterprises and small enterprises		16.00	196.51
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1065.64	775.28
(iii) Other financial liabilities		-	-
(b) Other current liabilities	18	113.74	89.08
(c) Provisions	19	21.36	12.70
Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale		-	-
TOTAL EQUITY AND LIABILITIES		8592.92	7949.90
Summary of significant accounting policies	2		
The accompanying notes from 1 to 42 are an integral part of the financial statements .			

AS PER OUR REPORT OF EVEN DATE
For Devpura Navlakha & Co.
Chartered Accountants
FRN No: 121975W
 Sd/-
(CA Rahul R. Modi)
Partner

Mem. No: 184321
UDIN:24184321BKABZI7491

Place : Ahmedabad
Date : 30/05/2024

For & On behalf of the Board of Directors
Sanginita Chemicals Limited

sd/-
(Mr. Dineshsinh Chavada)
 Chairman & Managing Director
 (DIN : 01497977)

sd/-
(Ms. Sangita D Chavda)
 Chief Financial Officer
 sd/-

(Ms. Saroj Ghanshyam Jagetia)
 Company Secretary

sd/-
(Mrs. Hansaben Chavada)
 Non-Executive Director
 (DIN : 00479509)

sd/-
(Mr. Vijaysinh Chavda)
 Whole Time Director
 (DIN : 00479413)

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

(Amount in Lakhs)

Sr. No.	PARTICULARS	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Income				
I.	Revenue from operations	21	15,150.30	14,856.41
	Revenue from operations		15,150.30	14,856.41
II.	Other Income	22	44.86	56.67
III.	Total Income (I+II)		15,195.16	14,913.08
IV. Expenses				
	Cost of material consumed	23	10,581.84	12,051.23
	Purchases of Stock-in-trade		3,817.43	1,937.71
	Changes in inventories of finished goods work in-progress	24	(6.05)	140.44
	Employees Benefit expense	25	120.76	103.37
	Finance cost	26	262.11	249.97
	Depreciation and amortisation expense	27	74.43	55.32
	Other expenses	28	240.24	319.83
	Total expense (IV)		15,090.76	14,857.87
V.	Profit before exceptional items and tax (III-IV)		104.40	55.21
VI.	Exceptional item		-	-
VII.	Profit before tax (V-VI)		104.40	55.21
VIII. Tax expense				
(1)	Current tax	29	21.36	12.70
(2)	Short/ (Excess) provision of IT earlier year written back		0.54	(0.30)
(3)	Deffered Tax	29	5.52	1.20
IX	Total Tax Expense		27.42	13.60
X	Profit for the year after tax from Continuing Operations (VIII-IX)		76.98	41.61
XI Other comprehensive income				
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
XII	Total other comprehensive income for the year, net of tax		-	-
XIII.	Total comprehensive income for the year (X+ XII)		76.98	41.61
XIV Earning per equity share [nominal value Rs 10 per share Rs 10/-]				
(1)	Basic	30	0.45	0.24
(2)	Diluted	30	0.45	0.24
	Summary of significant accounting policies	2		

The accompanying notes from 1 to 42 are an integral part of the financial statements .

AS PER OUR REPORT OF EVEN DATE
For Devpura Navlakha & Co.
Chartered Accountants
FRN No: 121975W
Sd/-
(CA Rahul R. Modi)
Partner

Mem. No: 184321
UDIN:24184321BKABZI7491

Place : Ahmedabad
Date : 30/05/2024

For & On behalf of the Board of Directors
Sanginita Chemicals Limited

sd/-
(Mr. Dineshsinh Chavada)
Chairman & Manging Director
(DIN : 01497977)

sd/-
(Ms. Sangita D Chavda)
Chief Financial Officer
sd/-

(Ms. Saroj Ghanshyam Jagetia)
Company Secretary

sd/-
(Mrs. Hansaben Chavada)
Non-Executive Director
(DIN : 00479509)

sd/-
(Mr. Vijaysinh Chavda)
Whole Time Director
(DIN : 00479413)

STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount in Lakhs)

Sr.no.	Particulars	As At 31.03.2024	As At 31.03.2023
1	Cash Flow From Operating Activities		
	Net Profit before taxation and extra ordinary items	104.40	55.21
	Adjustment for :		
	Depreciation & Amortisation cost	74.43	55.32
	Finance Cost	262.11	249.97
	Less: Non Operating Income	(14.69)	(15.75)
	Operating Profit before working capital changes	321.85	289.54
	(Increase)/Decrease in Debtors	(92.31)	426.25
	(Increase) /Decrease in inventories	(302.70)	(38.47)
	(Increase)/Decrease in Other current Assets	(382.86)	(303.31)
	Increase/(Decrease) in Trade Payables	109.71	799.44
	Increase/(Decrease) in Other current Liabilities	24.66	556.92
	Cash Generated from operations	(643.50)	1,036.36
	Less: Income tax paid	(12.40)	(11.05)
	Net Cash flow from operating activities (1)	(229.65)	1,370.06
2	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	(390.49)	(88.65)
	Rent income	5.04	15.75
	Interest income	9.64	-
	Share issue expense	(11.25)	-
	Net Cash From Investing Activities (2)	(387.05)	(72.90)
3	Cash Flow From Financing Activities		
	Proceeds/(Repayment) of Current- Financial Borrowings	356.79	(149.00)
	Proceeds/(Repayment) of Non Current- Financial Borrowing	71.80	(444.41)
	(Increase)/Decrease in Other Non Current Assets	449.55	(452.55)
	Interest Paid	(262.11)	(249.97)
	Net Cash Issued in financing activities (3)	616.03	(1,295.93)
	Net Increase in cash and cash equivalents (1+2+3)	(0.67)	1.23
	Cash & cash equivalents at the beginning of the period	2.72	1.49
	Cash & cash equivalents at the end of the period	2.05	2.72

Notes:

1 The above cash flow Statement has been Prepared under the " Indirect Method" as set out in IND AS-7," Statement of Cash Flow"

2 Components of Cash & Cash Equivalents as under: (Amount in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents comprise of (Note-10)		
Cash on Hand	2.05	2.72
Cash and cash equivalent restated	2.05	2.72

AS PER OUR REPORT OF EVEN DATE

For Devpura Navlakha & Co.

Chartered Accountants

FRN No: 121975W

Sd/-

(CA Rahul R. Modi)

Partner

Mem. No: 184321

UDIN:24184321BKABZI7491

Place : Ahmedabad

Date : 30/05/2024

For & On behalf of the Board of Directors

Sanginita Chemicals Limited

sd/-

(Mr. Dineshsinh Chavada)

Chairman & Manging Director

(DIN : 01497977)

sd/-

(Ms. Sangita D Chavda)

Chief Financial Officer

sd/-

(Ms. Saroj Ghanshyam Jagetia)

Company Secretary

sd/-

(Mrs. Hansaben Chavada)

Non-Executive Director

(DIN : 00479509)

sd/-

(Mr. Vijaysinh Chavda)

Whole Time Director

(DIN : 00479413)

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

A. Equity Share Capital

(1) Current reporting period (FY 2023-2024) (Rs. In Lacs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1726.77	-	1726.77	-	1726.77

(2) Previous reporting period FY 2022-2023) (Rs. In Lacs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1726.77	-	1726.77	-	1726.77

B. Other Equity (Note-13)

(1) Current reporting period (FY 2023-24) Amt in Lakhs

Particulars	Reserves & Surplus		Total
	Retained Earnings	Share Premium	
Balance at the beginning of the current reporting period	1655.34	631.57	2286.91
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	1655.34	631.57	2286.91
Total Comprehensive Income for the current	-	-	-
Dividends	-	-	-
Transfer to retained earnings	76.98	-	76.98
Any other change	-	-	-
Less: Right issue expense	-	11.25	11.25
Balance at the end of the current reporting period	1732.32	620.32	2352.64

(2) Previous reporting period (FY 2022-23) Amt in Lakhs

Particulars	Reserves & Surplus		Total
	Retained Earnings	Share Premium	
Balance at the beginning of the current reporting period	1613.73	631.57	2245.30
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	1613.73	631.57	2245.30
Total Comprehensive Income for the current	-	-	-
Dividends	-	-	-
Transfer to retained earnings	41.61	-	41.61
Any other change	-	-	-
Balance at the end of the current reporting period	1655.34	631.57	2286.91

The accompanying notes from 1 to 42 are an integral part of the financial statements.

AS PER OUR REPORT OF EVEN DATE

For Devpura Navlakha & Co.

Chartered Accountants

FRN No: 121975W

Sd/-

(CA Rahul R. Modi)

Partner

Mem. No: 184321

UDIN:24184321BKABZI7491

Place : Ahmedabad

Date : 30/05/2024

For & On behalf of the Board of Directors

Sanginita Chemicals Limited

sd/-

(Mr. Dineshsinh Chavada)

Chairman & Managing Director

(DIN : 01497977)

sd/-

(Ms. Sangita D Chavda)

Chief Financial Officer

sd/-

(Ms. Saroj Ghanshyam Jagetia)

Company Secretary

sd/-

(Mrs. Hansaben Chavada)

Non-Executive Director

(DIN : 00479509)

sd/-

(Mr. Vijaysinh Chavda)

Whole Time Director

(DIN : 00479413)

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2024**1. Corporate Information:**

Sanginita Chemicals Limited (The company) is a public limited company which was initially registered as a private limited company with Registrar of Companies Gujarat with CIN number L24100GJ2005PLC047292 Since 15.12.2005 and engaged in the business of manufacturing of Chemicals having registered office at 301, 3rd Floor, Shalin Complex, Sector-11, Gandhinagar, Gujarat, India Pin 382 011 and factory address at Block No. 1133, Nr GIDC- Chhatral Phase IV, At : Chhatral, Ta- Kalol, Dist, Gandhinagar, Gujarat, India.

From 23rd day of December 2016, the company Sanginita Chemicals Pvt. Ltd. is converted in to a Public Limited company limited by shares under section 18 of the company's act 2013 and so the name of the company is changed to **SANGINITA CHEMICALS LIMITED** from the same date.

The financial statements were authorized for issue in accordance with a resolution of the Board of Directors on May 30, 2024.

2. Significant Accounting Policies**2.1 Basis of Preparation :**

The financial statements have been prepared with all material aspect with Indian Accounting Standards (Ind AS) notified under section 133 of the companies Act, 2013 (the Act) read with the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act. The Accounting Policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Historical Cost Convention

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

2.3 Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest Lakhs & decimal thereof.

2.4. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods.

2.5. Current Versus Non-Current Classification :

The company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve Months after the reporting period.

The Company classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve month as its operating cycle.

2.6. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

2.7. Foreign Currencies :

The company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the company's functional currency at the exchange rates prevailing on the date of the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements. Exchange differences arising on settlement of such transactions and on translation of monetary items are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

2.8. Impairment of assets

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amounts of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

2.9. Property, Plant And Equipment (PPE):

PPE are stated at cost, net of GST and depreciation. No specific borrowing is incurred to increase the fixed assets so no interest on borrowing is capitalized in fixed assets during the current financial year. Building includes road, staff quarters, security room, gate, compound wall etc.

Company maintains a separate and special in-house research laboratory for the development, expansion and invention of new and innovative techniques for easy and speedy process of output, for maintenance of quality of products and also to search out new products for the betterment and expansion of business.

De-recognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

Depreciation:

- Depreciation, on fixed assets, has been provided in the accounts as per schedule II of the Companies Act, 2013.
- Depreciation on fixed assets is provided on Written Down Value method.
- Depreciation has been charged pro-rata from the date of additions on Written down Value Method as per Schedule II of the Companies Act, 2013.
- One of the directors of the company himself handles the technical, manufacturing department and as per the written representation received from the director, useful life of laboratory equipment is taken as 20 years.
- Residual value of all the assets is taken at 4%.
- As per schedule II the life of the office equipment is 5 years however there are some equipment which are already used for more than 5 years and so the life is taken more than 5 years as the amount involved is very low.
- Additions made in the plant and machinery during the year are grouped on monthly basis for computation of prorate depreciation.

2.10. Investment Property

Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates investment properties over their estimated useful lives, as specified in Schedule II to the Companies Act, 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit and Loss in the period in which the property is derecognized.

2.11. Financial assets**Initial recognition and measurement:**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

Subsequent measurement:

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

Classification of financial assets:

Financial assets that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest.

All other financial asset is subsequently measured at fair value.

Financial assets at cost:

Investments in subsidiaries, associates and joint ventures are accounted for at cost.

De recognition of financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

2.12. Financial liabilities and equity instruments**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Trade and other payables

Trade and other payables are recognized at the transaction cost, which is its fair value, and subsequently measured at amortized cost.

De recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

2.13. Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The company has not entered into any such transaction.

2.14. Inventories:

Inventories are valued at the lower of cost or net realizable value after providing for obsolescence and other losses, wherever considered necessary.

Cost comprises of Following:

- 1) Raw Material cost includes cost of purchase;
- 2) Finished Goods cost is raw material and cost of conversion;
- 3) Stores & Spares cost is includes cost of purchase

Cost is determined on First-in-First-out (FIFO) basis or specific identification basis as applicable.

2.15. Cash And Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash on hand.

2.16. Provisions And Contingent Liabilities

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

There is no contingent liability in the balance sheet of the company.

2.17. Revenue Recognition

Revenue from operations is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- a) Sales are shown at net of sales returns, GST but discount and incentives are separately booked as expenditure.
- b) Export Sales are booked at the rate on the date of transaction and the resultant gain or loss on realization on transaction is accounted as Exchange rate difference and is dealt with Statement of Profit and Loss.

Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.18. Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

No borrowings are created for acquiring Property, Plant & Equipment during the year.

2.19. Employee Benefits:

- Short-term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.
- Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services.
- As explained by the management that there is no employee in the company who is entitle for gratuity benefit so no provision of gratuity is made.

2.20. Taxes:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Tax:

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax liability/assets, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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

2.21. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

3. Significant accounting judgments, estimates and assumptions

The application of the company's accounting policies as described in Note 2, in the preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to market changes or

circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

3.1. Useful lives of property, plant and equipment

Useful lives of property, Plant & Equipment are taken as per useful lives given in Part-C of Schedule II to the Companies Act, 2013.

3.2. Investments

In case of investments, the Management assesses whether there is any indication of impairment in the value of investments.

4. Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped or reclassified to conform to Ind AS presentation requirements.

Note 5 : Property, plant and equipment

(Amount in Lakhs)

Fixed Assets	Furniture & fixture	Land & Buildings	Vehicles	Office equipment	Plant & Machinery	Laboratory	Total
Gross Carrying Value							
as at April 1, 2022	3.60	264.85	63.17	6.53	718.79	17.38	1,074.32
Additions	-	-	0.97	-	87.71	-	88.68
Deductions	-	-	-	-	-	-	-
As at March 31, 2023	3.60	264.85	64.14	6.53	806.50	17.38	1,163.00
Additions	-	5.69	-	-	384.80	-	390.49
Deductions	-	-	-	-	-	-	-
As at March 31, 2024	3.60	270.54	64.14	6.53	1,191.30	17.38	1,553.49
Depreciation and Impairment							
As at April 1, 2022	3.25	188.12	51.82	5.98	445.12	14.27	708.55
Depreciation for the year	0.05	7.04	3.95	0.05	41.36	0.41	52.86
Deductions	-	-	-	-	-	-	-
As at March 31, 2023	3.30	195.16	55.77	6.03	486.48	14.68	761.41
Depreciation for the year	0.05	6.72	2.66	0.02	62.29	0.36	72.10
Deductions	-	-	-	-	-	-	-
As at March 31, 2024	3.35	201.88	58.43	6.05	548.77	15.04	833.51
Net Block							
As at March 31, 2024	0.25	68.66	5.71	0.48	642.53	2.34	719.98
As at March 31, 2023	0.30	69.70	8.37	0.50	320.02	2.70	401.59
As at March 31, 2022	0.35	76.73	11.35	0.55	273.67	3.11	365.77

(Amount in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Note 6 : Investment Property		
Building		
Gross Carrying Amount		
Opening	80.95	80.95
Addition	-	-
Disposal	-	-
Balance as at end of the year	80.95	80.95
Accumulated Depreciation		
Opening	36.46	34.00
Depreciation	2.33	2.46
Disposals	-	-
Balance as at end of the year	38.79	36.46
Net Carrying Amount	42.16	44.49

a) Fair value of investment Properties

The fair value of the Company's investment properties at the end of the year have been determined on the basis of estimation of valuation carried out by the management and on basis of Management assessment, fair value of asset is more than carrying amount of the Investment Property

b) During the year, the Company carried out a review of the recoverable amount of investment properties. As a result there were no allowances for impairment required for these properties.

c) The Company has earned a rental income of Rs. 5.04 Lacs (Rs. 15.75 Lacs)

SANGINITA CHEMICALS LIMITED

(Amount in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Note 7 : Other Non-current assets		
Unsecured, considered good		
Advances to Suppliers (Raw material)	-	452.55
Other Advances other than Capital Advances		
Security Deposit	24.22	21.22
Total	24.22	473.77

Note 8 : Inventories		
(Inventories Valued & Certified by Management)		
Raw Materials	2933.91	2636.02
Finished Goods	52.83	46.78
Stores and Spares	7.81	9.05
Total	2994.55	2691.85

Note 9: Trade receivables		
Trade Receivables considered good – Secured	-	-
Trade Receivables considered good – Unsecured	2640.98	2548.68
Trade Receivables that have an increase in Credit Risk that is significant.	-	-
Trade Receivables – Credit Impaired	-	-
Total Trade and other receivables	2640.98	2548.68

Particulars	Outstanding for following periods from due date					
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Trade Receivable Ageing schedule (FY 2023-24)						
(Amount in Lacs)						
(i) Undisputed Trade receivables – considered good	2386.52	254.46	-	-	-	2640.98
(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	2386.52	254.46	-	-	-	2640.98

Trade Receivable Ageing schedule (FY 2022-23)						
(Amount in Lacs)						
(i) Undisputed Trade receivables – considered good	2548.68	-	-	-	-	2548.68
(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	2548.68	-	-	-	-	2548.68

Particulars	(Amount in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Note 10: Cash and cash equivalent		
Cash on hand	2.05	2.72
Total cash and cash equivalents	2.05	2.72

Note 11 : Other Current assets		
Unsecured, considered good		
(i) Other than Capital Advances		
Advance to suppliers	2068.01	1597.30
(ii) Prepaid Expenses	0.68	0.60
(iii) Other		
GST Refund	73.56	149.28
Other	26.73	39.62
Total	2168.98	1786.80

Note 12 : Equity share capital

Particulars	(In Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	No. of shares	In Lacs	No. of shares	In Lacs
Authorised share capital				
Equity shares of Rs. 10/- each	27000000	2700.00	18000000	1800.00
Preference shares of Rs. 10/- each	-	-	-	-
Issued and subscribed share capital				
Equity shares of Rs. 10/- each	17267700	1726.77	17267700	1726.77
Subscribed and fully paid up				
Equity shares of Rs. 10/- each	17267700	1726.77	17267700	1726.77
Total	17267700	1,726.77	17267700	1,726.77

12.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	(In Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	No. of shares	In Lacs	No. of shares	In Lacs
At the beginning of the year	17267700	1726.77	17267700	1726.77
Add : Shares allotted during the year	-	-	-	-
Outstanding at the end of the year	17267700	1726.77	17267700	1726.77

12.2. Terms/ Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

12.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	(In Actual)			
	As at March 31, 2024		As at March 31, 2023	
	% of shareholding	No. of shares	% of shareholding	No. of shares
Dineshsinh B Chavada	16.94%	2925900	16.94%	2925900
Sanginita Industries LLP	33.13%	5720900	34.58%	5971988

12.4. Disclosure of Shareholding of Promoters

Sr. No.	Promoter name	Shares held by promoters at the end of the year		Beginning of the year		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Dineshsinh Bhmisinh Chavada	2925900	16.94%	2925900	16.94%	-
2	Vijaysinh D. Chavda	447221	2.59%	524221	3.04%	-0.45%
3	Hansaben D. Chavada *	577660	3.35%	632660	3.66%	-0.32%
4	Anita Ravindrasinh Aswar *	728430	4.22%	728430	4.22%	-
5	Sanginita Industries LLP	5720900	33.13%	5971988	34.58%	-1.45%
	Total	10400111	60.22%	10783199	62.44%	-2.22%

* Promoter Group

(Amount in Lakhs)

Particulars	Reserves & Surplus		Total
	Retained Earnings	Share Premium	
Note 13 : Other Equity			
Balance as at April 1, 2022	1,613.73	631.57	2,245.30
Profit/ Loss for the Period	41.61	-	41.61
Other comprehensive income for the year	-	-	-
Total Comprehensive income for the year	-	-	-
Issue of Share Capital	-	-	-
Balance as at March 31, 2023	1,655.34	631.57	2,286.91
Balance as at April 1, 2023	1,613.73	631.57	2,245.30
Profit/ Loss for the Period	76.98	-	76.98
Other comprehensive income for the year	-	-	-
Total Comprehensive income for the year	-	-	-
Issue of Share Capital	-	-	-
Less: Right issue expense	-	11.25	11.25
Balance as at March 31, 2023	1,732.32	620.32	2,352.64

Particulars	As at 31st March, 2023	As at 31st March, 2022
Note 14: Long-term Borrowings		
Long-term Borrowings		
Non-current portion		
Unsecured		
From Related Parties	278.30	206.50
Total Long term borrowings	278.30	206.50
Total	278.30	206.50

Terms of Unsecured loan are not specified, however as informed to us, it is payable after 1 year

Note 15: Deferred Tax Liabilities (Net)**(a) Deferred Tax Liabilities (Net)**

Property, Plant & Equipment		10.18	4.65
Gross Deferred Tax Liabilities	Total (A)	10.18	4.65
Deferred Tax Assets (B)		-	-
Gross Deferred Tax Assets	Total (B)	-	-
Net Deferred Tax Liabilities	Total (A-B)	10.18	4.65

(b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2024

Particulars	Opening Balance as at 1st April, 2023	Recognized in Profit & loss account	Closing Balance as at 31st March, 2024
Tax effect of items constituting deferred tax liabilities			
Property, plant and Equipment	4.65	5.53	10.18
Total	4.65	5.53	10.18
Tax effect of items constituting deferred tax assets			
	-	-	-
Net Deferred Tax Liabilities	4.65	5.53	10.18

(c) Movement in deferred tax liabilities (net) for the year ended 31st March, 2023

Particulars	Opening Balance as at 1st April, 2022	Recognized in Profit & loss account	Closing Balance as at 31st March, 2023
Tax effect of items constituting deferred tax liabilities			
Property, plant and Equipment	3.45	1.20	4.65
Total	3.45	1.20	4.65
Tax effect of items constituting deferred tax assets			
	-	-	-
Net Deferred Tax Liabilities	3.45	1.20	4.65

(Amount in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Note 16: Short-term Borrowings		
Secured		
Working Capital Loans repayable on demand from Banks		
Cash Credit		
Balance	408.29	0.11
Cheque on hand as on end of the year	-	(48.61)
Working Capital term loan (WCDL)	2600.00	2700.00
Total short-term borrowings	3008.29	2651.50

Cash credit, working capital demand loan (WCDL) from the bank is secured by way of hypothecation of all existing and future current assets/ Movable fixed assets as well as mortgage of Immovable Properties of the company & Personal Guarantee of Directors.

Note 17: Trade payable**Trade Payables**

- For Micro and Small Enterprise	16.00	196.51
- Other than Micro and Small Enterprise	1065.64	775.28
Total	1081.63	971.79

Trade Payables aging schedule (FY 2023-24)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	16.00	-	-	-	16.00
(ii) Others	1065.64	-	-	-	1065.64
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	1081.63	-	-	-	1081.63

Trade Payables aging schedule (FY 2022-23)

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	196.51	-	-	-	196.51
(ii) Others	775.28	-	-	-	775.28
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	971.79	-	-	-	971.79

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Principal amount remaining unpaid to any supplier as at the end of the accounting year	16.00	196.51
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company. Further, in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.

(Amount in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Note 18: Other current liabilities		
Current		
- Payable in respect of Expense	32.80	68.20
- Payable in respect of capital assets	-	0.10
Advance from customer	65.00	-
Statutory dues	2.89	2.46
Security Deposit	2.00	3.36
Others	11.06	14.95
Total	113.74	89.08
Note 19 : Short term provisions		
Provision For Income Tax	21.36	12.70
Total	21.36	12.70

Note-20

ADDITIONAL REGULATORY INFORMATION

20.1. Fair valuation of investment property

The fair value of the company's investment properties at the end of the year have been determined on the basis of estimation of valuation carried out by the management and on basis of management assessment, fair value of asset is more than carrying amount of the Investment Property

20.2. Borrowings secured against current assets

Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

20.3 Ratios

Ratio	Num- erator (In Lacs)	Denomi- nator (In Lacs)	Current Period	Previous Period	In	% Variance	Reason for variance
Current ratio	7806.23	4224.69	1.85	1.89	Times	2.12%	NA
Debt-equity ratio	3286.59	4079.41	0.81	0.71	Times	14.08%	NA
Debt service coverage ratio	415.60	258.67	1.61	1.41	Times	14.18%	NA
Return on equity ratio	76.98	4046.55	1.90%	1.04%	Percen- tage	82.69%	Due to Increase of profit
Inventory turnover ratio	2843.20	42.07	68	62	Days	9.68%	NA
Trade receivables turnover ratio	2594.83	50.45	51	51	Days	-	NA
Trade payables turnover ratio	1026.61	50.75	20	14	Days	42.86%	Due to Increase of trade payables
Net capital turnover ratio	15144.24	3581.54	4.23	4.50	Times	6.00%	NA
Net profit ratio	76.98	15144.24	0.51%	0.28%	Percen- tage	82.14%	Due to Increase of profit
Return on capital employed	363.91	4368.23	8.33%	7.02%	Percen- tage	18.67%	NA
Return on investment	76.98	8271.41	0.93%	0.52%	Percen- tage	78.85%	Due to Increase of profit

(Amount in Lakhs)

Particulars	2023-24	2022-23
Note 21 : Revenue from operations		
(a) Sale of Products	15144.24	14856.41
(b) Other operating revenues (Job work income)	6.06	-
Total	15150.30	14856.41
Note 22 : Other income		
Office Rent Income	5.04	15.75
Kasar	2.53	2.93
Foreign Exchange Gain	2.39	16.63
Duty drawback income	11.44	16.23
MEIS Licence income	-	5.13
Rodtep Income	13.80	-
Interest on IT Refund	1.21	-
Interest on Deposit / Advances	8.44	-
Total	44.86	56.67
Note 23 : Cost of materials consumed		
Raw Material at the beginning of the year (Including Stores & Spares)	2645.07	2201.31
Add : Purchases	10878.31	12494.76
Add: Purchase expense (Direct)	0.18	0.23
Less : Raw Material at the end of the year (Including Stores & Spares)	(2941.72)	(2645.07)
Total	10581.84	12051.23
Note 24 : Changes in inventories of finished goods, work-in-progress		
Stock at the end of the year		
Finished Goods	52.83	46.78
Work-in-Progress	-	-
Total	52.83	46.78
Stock at the beginning of the year		
Finished Goods	46.78	187.22
Work-in-Progress	-	-
Total	46.78	187.22
(Increase) / Decrease in stocks	(6.05)	140.44
Note 25 : Employee benefits expense		
Directors Remuneration	12.85	12.60
Salaries, Wages & Bonus Etc.	101.62	82.92
Contribution to Provident & Other Funds	0.55	0.77
Welfare Expenses	5.74	7.08
Total	120.76	103.37
Note 26 : Finance costs		
Interest expense - Loans	258.67	241.22
Other Borrowing cost		
- Bank Charges	0.21	1.74
- Legal Expense	-	0.01
- Processing Fees	3.23	7.00
Total	262.11	249.97
Note 27 : Depreciation and amortization expense		
Depreciation on Tangible assets (Refer Note 5&6)	74.43	55.32
Total	74.43	55.32

SANGINITA CHEMICALS LIMITED

(Amount in Lakhs)

Particulars	2023-24	2022-23
Note 28 : Other expenses		
Rent office	6.20	2.40
Insurance	5.25	5.11
Maintanance of plant and machinery	29.04	35.23
Export Exps	26.23	94.35
Security Charges	6.91	6.63
Transport exps	53.09	62.17
Electric expense	10.63	12.07
Power	48.22	52.51
Crane Exps	2.38	2.51
Consultancy Charges	2.96	4.04
Office Exps	5.61	5.94
Legal & Professional	6.51	5.09
Payment to Statutory Auditor	1.13	0.85
Maintenance of Vehicles	1.91	1.86
Penalty and interest on statutory dues	2.13	0.02
Petrol	2.90	3.19
GST Exps	2.87	0.36
Cash Discount	-	2.50
Travelling expense	16.31	13.64
Other Expense	9.97	9.36
Total	240.24	319.83
Payment to Statutory Auditors		
For Audit fess	0.85	0.70
For Income tax matter	0.15	0.15
For other	0.13	-
Total	1.13	0.85
Note 29 : Income tax		
The major component of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:		
Current tax		
Current income tax	21.36	12.70
Short/ (Excess) provision of IT written back	0.54	-
Deferred tax		
Deferred tax income/ (expense)	5.52	1.20
Income tax expense reported in the statement of profit and loss	27.42	13.90
Reconciliation of deferred tax assets / (liabilities), net		
Particulars	2023-24	2022-23
Opening balance as of April 1	(4.66)	(3.46)
Tax income/(expense) during the year recognised in profit or loss	(5.52)	(1.20)
Tax income/(expense) during the year recognised in OCI	-	-
Closing balance as at March 31	(10.18)	(4.66)
Note 30 : Earning per share		
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	7697682	4161080
Total no. of equity shares at the end of the year	17267700	17267700
Weighted average number of equity shares		
For basic EPS	17267700	17267700
For diluted EPS	17267700	17267700
Nominal value of equity shares	10	10
Basic earning per share (Rs per share)	0.45	0.24
Diluted earning per share (Rs per share)	0.45	0.24
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	17267700	17267700
Effect of dilution: Share options	-	-
Weighted average number of equity shares adjusted for the effect of dilution	17267700	17267700

ANNUAL REPORT 2023-2024

Particulars	2023-24 (In Lacs)	2022-23 (In Lacs)
Note-31		
Additional Information		
(A) Employee Benefits expense		
Directors Remuneration	12.85	12.60
Salaries, Wages & Bonus Etc.	101.62	82.92
Contribution to Provident & Other Funds	0.55	0.77
Welfare Expenses	5.74	7.08
Total	120.76	103.37
(B) Depreciation and amortisation expense		
Depreciation and amortisation expense	74.43	55.32
(C) Any item of income or expenditure which exceeds one per cent of the revenue from operations or Rs.10,00,000, whichever is higher		
Sales	15144.24	14856.41
Purchase	10392.32	12494.76
Interest Expense	258.67	241.22
(D) Interest Expense		
Interest Expense	258.67	241.22
(E) Net gain or loss on foreign currency transaction and translation		
Net gain on foreign currency transaction	2.39	16.63
(F) Payments to the auditors		
Payment to Statutory Auditors		
For Audit fess	0.85	0.70
For Income Tax Matter	0.15	0.15
For other matters	0.13	-
Total	1.13	0.85
32. Unsecured Loans:		
The loan taken from directors and their relatives are unsecured.		
33.	The breakup of Micro & Small Enterprise is provided to us by the management and the same is Accepted by us.	
34.	The balances of advances and advance given to suppliers, debtors and creditors are subject to balance confirmation by the respective parties and necessary adjustment if any will be made on its reconciliation.	
35.	In the opinion of the board, the current assets, loans & advances and other receivables have value on realization in ordinary course of business at least equal to the amount at which they are stated in the balance sheet.	
36.	The Company has not proposed any dividend on paid up share capital during the year under audit.	
37. C.I.F. Value of Imports	For the year ended on 31-March-2024 (Amount in Lakhs)	For the year ended on 31-March-2023 (Amount in Lakhs)
Raw Materials	-	-
38. F.O.B. Value of Exports		
F.O.B. Value of Export	1240.25	1671.82
39. Expenditure in Foreign Currency on Account of Purchase of Material	-	-
40. Consumption of Raw Materials		
Imported	-	-
	-	-
Indigenous	10581.84	12051.23
	100.00%	100.00%
Total	10581.84	12051.23

41. Segment Information

The Company's Primary segment is identified as business segment based on natural of products, risks, returns and the internal business reporting system and secondary segment is identified based on the geographical location of the customers as per IND AS 108 – 'Operating Segment'. The Company is principally engaged in a single business segment viz." Chemicals".

The Geographical segment has been considered for disclosure as secondary segment.

Two secondary segment has been identified based on the geographical location of customers i.e. domestic and export. Information about geographical segments are below.

1. Information about Geographical Areas (Rs. in Lacs)

Particulars	2023-24			2022-23		
	Domestic operations	External operations	Total	Domestic operations	External operations	Total Total
Segment Revenue	13910.05	1240.25	15150.30	13184.59	1671.82	14856.41
Carrying Cost of Segment Assets	8592.59	-	8592.59	7949.90	-	7949.90

2. Information about Major Customers

1 customers (previous year 2 customers) individually accounted for 10% or more revenue during financial year ending on 31st March 2024.

Particulars	2023-24	2022-23
Revenue from top Customers	11.80%	11.96%
Revenue from top 5 Customers	40.91%	42.78%

42. Disclosure pursuant to Related Party

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows:

Name of Related Parties & Nature of Relationship

(I) Shareholders :

Shri Dineshsinh B. Chavada, Smt. Hansaben D. Chavada, Shri Vijaysinh D. Chavda and Sanginita Industries LLP are holding totally 56.01% equity shares in the Company. (Previous F.Y. 2022-23, 58.23%).

(II) Subsidiaries of the Company:

There is no subsidiary of the company.

(III) Holding Company

There is no holding company of this company.

(IV) Key Management Personnel :

Mr. Dineshsinh B. Chavada	-	Managing Director & Chairperson
Mr. Vijaysinh D. Chavda	-	Whole Time Director
Ms. Sangita D. Chavda	-	Chief Financial Officer
Ms. Saroj Ghanshyam Jagetia	-	Company secretary

(V) Associates Entities :

There is no associate entity of the company.

(VI) Relatives:

Mrs. Anita R. Aswar

Note: Related party relationship is as identified by the company and relied upon by the Auditor

The following transactions were carried out with the related parties referred in above in the ordinary course of business.

(a) Current reporting period (FY 2023-24)

Sr.	Particulars	Major Stake holder Sanginita Ind. LLP	Board of Directors	Other Relatives
1.	Share Capital invested of (No of shares)	5720900	3950781	728430
2.	% of share contribution	33.13%	22.88%	4.22%
3.	Rent Exp.	NIL	Rs. 6,20,000/-	NIL
4.	Rent Deposit	NIL	Rs. 5,00,000/-	NIL
5.	Salary Exp	NIL	Rs.12,85,000/-	-

(b) Previous reporting period (FY 2022-23)

Sr.	Particulars	Major Stake holder Sanginita Ind. LLP	Board of Directors	Other Relatives
1.	Share Capital invested of (No of shares)	5971988	4082781	728430
2.	% of share contribution	34.58%	23.64%	4.22%
3.	Rent Exp.	NIL	Rs. 2,40,000/-	NIL
4.	Rent Deposit	NIL	Rs. 2,00,000/-	NIL
5.	Salary Exp	NIL	Rs.12,60,000/-	-

Particulars	31.03.2024 (In Rs.)	31.03.2023 (In Rs.)
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Rent / lease rent expense

Hansaben D Chavada (Office-301- Shalin)	4,20,000	2,40,000
Dineshsinh B Chavda (Office 101 to 105 Atriya)	2,00,000	-

Share Holding By KMP

Dineshsinh Chavada	2,92,59,000	2,92,59,000
Hansaben D Chavada	57,76,600	63,26,600
Vijaysinh Chavda	44,72,210	52,42,210

Share Holding by relatives of KMP

Ms. Anita R.Aswar	72,84,300	72,84,300
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Deposit

Hansaben D Chavada (Rent Deposit)	5,00,000	2,00,000
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Remuneration paid/payable to KMP

Dineshsinh Chavada	5,10,000	6,00,000
Vijaysinh Chavda	6,75,000	5,40,000
Hansaben D Chavada	1,00,000	1,20,000
Ms. Saroj Ghanshyam Jagetia (CS)	2,58,000	2,58,000
Ms. Sangita D. Chavda (CFO)	4,27,200	2,65,200

Unsecured Loans Particulars	Balance as on 01.04.2023	Loan Accepted	Loan Repaid	Balance as on 31.03.2024
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Dineshsinh Chavada	32,50,000	99,00,000	27,00,000	1,04,50,000
Hansaben D Chavada	39,20,000	10,00,000	14,00,000	35,20,000
Vijaysinh Chavda	27,30,000	12,00,000	18,00,000	21,30,000
Mrs. Anita R. Aswar	62,50,000	9,00,000	46,20,000	25,30,000
Sanginita Industries LLP	45,00,000	47,00,000	-	92,00,000

Unsecured Loans	Balance as on 01.04.2022	Loan Accepted	Loan Repaid	Balance as on 31.03.2023
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Dineshsinh Chavada	19,00,000	13,50,000	-	32,50,000
Hansaben D Chavada	1,11,20,000	28,00,000	1,00,00,000	39,20,000
Vijaysinh Chavda	1,46,30,000	26,00,000	1,45,00,000	27,30,000
Mrs. Anita R. Aswar	43,00,000	19,50,000	-	62,50,000
Sanginita Industries LLP	36,00,000	9,00,000	-	45,00,000

AS PER OUR REPORT OF EVEN DATE

For Devpura Navlakha & Co.

Chartered Accountants

FRN No: 121975W

Sd/-

(CA Rahul R. Modi)

Partner

Mem. No: 184321

UDIN:24184321BKABZI7491

Place : Ahmedabad

Date : 30/05/2024

For & On behalf of the Board of Directors

Sanginita Chemicals Limited

sd/-

(Mr. Dineshsinh Chavada)

Chairman & Managing Director

(DIN : 01497977)

sd/-

(Ms. Sangita D Chavda)

Chief Financial Officer

sd/-

(Ms. Saroj Ghanshyam Jagetia)

Company Secretary

sd/-

(Mrs. Hansaben Chavada)

Non-Executive Director

(DIN : 00479509)

sd/-

(Mr. Vijaysinh Chavda)

Whole Time Director

(DIN : 00479413)

Book-Post

To,

If undelivered, please return to :
SANGINITA CHEMICALS LIMITED
(CIN: L24100GJ2005PLC047292)
Registered Office: 301, 3rd Floor, Shalin Complex,
Sector - 11, Gandhinagar - 382011
Ph.: 079- 23240270
Website: www.sanginitachemicals.co.in