

**Vital Chemtech Limited :**

© **Corporate Office:**

B-406, Mondeal Heights, Opp. Karnavati Club,  
S.G.Highway, Ahmedabad, Gujarat, INDIA-380015.

© **Plant Address :**

Plot No : D-3 / 151 & 158, GIDC, Dahej III,  
Dist. Bharuch, Gujarat, INDIA-392 130.

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CIN Number : U24299GJ2021PLC127538



**Date: September 06, 2024**

To,  
**Listing Compliance Department**  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Mumbai – 400051

Respected Sir/Ma'am,

**Sub: Submission of Annual Report for the Financial Year 2023-24.**

**Ref: Vital Chemtech Limited (SYMBOL/ISIN: VITAL/INE0L4K01016)**

This is to inform you that the 3<sup>rd</sup> Annual General Meeting (“AGM”) of the Company will be held on Monday, September 30, 2024 at 12:00 Noon (IST) through Video Conferencing/ Other Audio-Visual Means in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), we are submitting herewith the Annual Report of the Company for the Financial Year 2023-24 which is being sent through electronic mode to the Members.

The Annual Report is also uploaded on the Company’s website and can be accessed <https://www.vitalgroup.co.in/investors.html>

You are requested to take the same on your records.

**For, Vital Chemtech Limited**

**Vipul Bhatt**  
**Chairman & Managing Director**  
**DIN: 06716658**

**Place: Ahmedabad**

**Encl: A/a-**



# VITAL CHEMTECH LIMITED

3<sup>RD</sup> ANNUAL REPORT 2023 - 2024



[www.vitalgroup.co.in](http://www.vitalgroup.co.in)

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# CHAIRMAN'S SPEECH

## Vital Chemtech Limited

Dear Shareholders,  
I hope you all and your family members are healthy and safe.

I am honoured to present to you our Annual Report for the year 2023-24, which encapsulates the significant steps we have taken as a Company. The previous year was good for us in terms of our expansion plans whereby we have commenced Commercial Production at one of our new Plant. Also, Project work has been kicked off for yet another Plant of ours.

### Performance Review

Vital has evolved from a promoter-driven to a professional organisation, and our most important priority is to reward customers and shareholders. We are dedicated to creating economic value through quality innovations and ensuring returns through EPS. As you all know, previous year was a roller coaster year in terms of performance across Pharma, Agro, Dye and Chemicals segment. Even in these adverse circumstances, we have been able to achieve above par performance as compared to Industry segment standards. Also, we have been able to achieve growth in terms of product volumes. This has impacted our financial indicators. The figures are as follows; revenues stood at 10173.26 lakhs as of 31st March 2024. EBITDA during the year 822.54 lakhs in 2023-24. Our profit before tax is 491.21 lakhs in 2023-24. PAT is 402.36 lakhs in 2023-24. We prudently utilised this to pay back significant debt and invested the surplus for the Company's future growth.

### Value and Sustainability

Over the last 30 years, vital group has been synonymous with the following core values: 'integrity' at work, 'Innovation' in thought, 'Commitment' to all internal and external stakeholders with focus on driving 'Excellence' across the group's offerings and initiatives. Vital group is committed to sustainable development and environmental awareness. They are the key to our continued success and to the long-term sustainability of our operations.

### Expansion and Growth

I am pleased to share with you that, during last Financial Year we have commenced Commercial Production at Vital Alkoxides Private Limited.

Also, the project activities for our yet another Plant, Vital Synthesis Limited, have started and have picked up good pace.

Our product, Phosphorus Pentasulfide for the Vital Chemtech Limited, has also been tasted successfully and now marketable. We are expecting more volume in coming years.

Further, your Directors have recommended a dividend of Rs. 0.50/- per equity share for the year ended March 31, 2024 which is being placed for your approval.

### Vote of thanks

On behalf of Vital group, I would like to thank all the team members for their support and commitment towards the Company. I also express my gratitude to all customers, suppliers, associates and stakeholders for believing in the Company and supporting us in all the situations.

We will continue to create long-term, sustainable value for all by being consistent and flexible and I look forward to an exciting journey ahead, together.

Thank you.  
Warm Regards,  
**Vipul Bhatt**  
*Chairman & Managing Director*



## MISSION

To passionately become a significant engine for growth and to help develop communities and create innovation for our stakeholders in the field of Chemistry.

## VISION

Building business value by creating the best performance chemical products for our customers and society through innovation.



Group & Company Profile

# CORPORATE PORTRAIT:

Vital Chemtech Limited

## ABOUT US

Vital Chemtech Limited is one of the leading manufacturer in phosphorus derivative chemistry, manufacturing speciality and down stream products at its state-of-art, integrated manufacturing complex in Dahej, Gujarat.

## WIDE-RANGING APPLICATIONS

- » Life science
- » Crop care
- » Specialty chemicals
- » Textile auxiliaries
- » Dyes, Pigments, Plastic additives

## S N A P S H O T



### Dominant

Manufacturer of  
Phosphorus  
Derivative Chemicals



### Automated & Integrated

Manufacturing  
Complex  
Located In Dahej



6\*

Key  
Products  
Manufactured



Cumulative  
Manufacturing  
Capacity of  
**28,800 MT**



75+

Strong  
Work Force

## Group &amp; Company Profile

**THE JOURNEY OF**

Vital Chemtech Limited

**Over The Years****1993**

The Group commenced business by establishing Vital Chemical Limited, Trading in various chemicals, Particularly Phosphorus Derivatives, Organophosphates & Polymers.

**2013**

Incorporation of the Company as Rudra Chemtech Private Limited.

**2019**

Commenced commercial production of Poly Phosphoric Acid

**2018**

Commenced commercial production of Phosphorous Pentoxide & Phosphorous Pentachloride

**2015**

- Conversion of the Company into a Limited Liability Partnership (LLP)
- Commissioning of our integrated manufacturing plant at Dahej, Gujarat, with the production of Phosphorous Trichloride
- The name of the LLP changed to Vital Chemtech Limited Liability Partnership

**2020**

Undertook SAP implementation & transitioned critical plant operations to PLC & SCADA systems

**2021**

Conversion of LLP into Public Limited Company, Vital Chemtech Limited

**2022**

- Crossed the 100 Crores topline benchmark
- Completed significant capacity augmentation from 13,200 MT to 28,800 MT
- Commenced exports with first-time business in Saudi Arabia

**2023**

Vital Alkoxides Private Limited became subsidiary of Vital Chemtech Limited

**“ And We continues to,  
Creating  
a better world through  
chemical innovation. ”**

## Group &amp; Company Profile

# MARQUEE PHOSPHOROUS DERIVATIVES PLAYER

Vital Chemtech Limited

- » **The comprehensive** range of products
- » Focused only on **core competence** i.e., **phosphorous chemistry**
- » **Wide-ranging** product applications
- » **Diversified** end-industry consumer base
- » 6\* products **manufactured**
- » Additional products in phosphorous chemistry in the pipeline

## Phosphorus Oxychloride (POCl<sub>3</sub>)

Used in gasoline additives and hydraulic fluids

## Phosphorus Trichloride (PCl<sub>3</sub>)

Used for electrodeposition of metal on rubber, pesticides, surfactants, gasoline additives, plasticizers, dyestuffs, textile finishing agents, germicides, medicinal products, and other chemicals

## Phosphorus Pentoxide (P<sub>2</sub>O<sub>5</sub>)

Used in the chemical industry for its applications as a laboratory reagent, starting or reagent material in synthesis processes, and in heatinsulating glass production

## Poly Phosphoric Acid (PPA)

Used in the manufacturing special supported catalysts, descaling and brightening of metal surfaces, and drying of gas streams

## Phosphorus Pentachloride (PCl<sub>5</sub>)

Used to manufacture chemicals for aluminium metallurgy and the pharmaceutical industry

## Phosphorus Pentasulfide (P<sub>2</sub>S<sub>5</sub>)

Used in the production of safety matches, lube oil additives, and pesticides

## Group &amp; Company Profile

**INDUSTRY LEADERS WE SERVE**

## Vital Chemtech Limited

1. Vital Chemtech Limited has garnered an impressive group of clients built on the bedrock of providing the **highest quality products** to achieve superior customer satisfaction.

2. At the same time, the Company has been **mindful of customer concentration**.

- No single customer contributes more than 10% of the top line.
- Top 5 clients contribute less than 25% of the top line.

## Life science

Crop Care  
(Agrochemical)

## Specialty Chemicals



## Textiles Auxiliaries

Dyes, Pigments,  
Plastic Additives

Superior Manufacturing Capital

# AUTOMATED & INTEGRATED MANUFACTURING COMPLEX

Completely automated plant equipped with state-of-art:  
**Programmable Logic Controller (PLC)**

**Supervisory Control and Data Acquisition (SCADA)**

**Integrated complex** to manufacture phosphorus base chemicals



Zero Liquid Discharge (ZLD)  
**plant**



Located on a 9,100 Sq.Mt. plot at Dahej, Gujarat, with 10% land available for future expansion

Further adjacent 18,000 Sq.Mt. plot available for expansion

Equipped with a **Quality Control laboratory**



Adherence to the highest Environmental, Health, and Safety (EHS) standards



**Certified:**

ISO 9001:2015  
ISO 45001:2018  
ISO 14001:2015



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Name	DIN	Designation
Mr. Vipul Jatashanker Bhatt	06716658	Chairman and Managing Director
Mrs. Sangeeta Vipul Bhatt	06716704	Whole-Time Director
Mr. Jay Vipul Bhatt	09363173	Whole-Time Director
Mr. Hetalkumar Jayantilal Shah	07457701	Non-Executive Independent Director
Mr. Deepakkumar Kushalchandra Chaubisa	09629889	Non-Executive Independent Director

## KEY MANAGERIAL PERSONNEL

Name	Designation
Ms. Ketki Ajay Oza	Chief Financial Officer
Mr. Utsav Trivedi (upto February 28, 2024)	Company Secretary and Compliance Officer
Mr. Chinmay Tikendrakumar Chokshi (w.e.f. May 21, 2024)	Company Secretary and Compliance Officer

## REGISTERED OFFICE

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad-380015, Gujarat.

**Tel No. :** +07946005840

**Email ID:** info@vitalgroup.co.in

**Web:** www.vitalgroup.co.in

## STATUTORY AUDITOR

### Abhishek Kumar & Associates

Chartered Accountants

(Firm Registration No. 130052W)

401, Silicon Tower, Above Freezeland Restaurant Nr.

National Handloom Law Garden, Navrangpura,

Ahmedabad-380009, Gujarat

**Email:** abhisheksagrawal@yahoo.co.in

**M.:** +91 9227404064

## REGISTRAR & SHARE TRANSFER AGENT

### Skyline Financial Services Private Limited

D-153A, 1St Floor, Okhla Industrial Area, Phase-1,  
New Delhi- 110020

**E-mail:** info@skylinerta.com

**Tel no.:** +91-11-40450193-97

## BANKERS TO THE COMPANY

**Axis Bank Limited**



## COMMITTEES OF BOARD:

### AUDIT COMMITTEE:

Name	DIN	Designation	Nature of Directorship
Mr. Hetalkumar Jayantilal Shah	07457701	Chairperson	Non-Executive Independent Director
Mr. Deepakkumar Kushalchandra Chaubisa	09629889	Member	Non-Executive Independent Director
Mr. Vipul Jatashanker Bhatt	06716658	Member	Chairman and Managing Director

### STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Name	DIN	Designation	Nature of Directorship
Mr. Hetalkumar Jayantilal Shah	07457701	Chairperson	Non-Executive Independent Director
Mr. Deepakkumar Kushalchandra Chaubisa	09629889	Member	Non-Executive Independent Director
Mr. Vipul Jatashanker Bhatt	06716658	Member	Chairman and Managing Director

### NOMINATION AND REMUNERATION COMMITTEE

Name	DIN	Designation	Nature of Directorship
Mr. Hetalkumar Jayantilal Shah	07457701	Chairperson	Non-Executive Independent Director
Mr. Deepakkumar Kushalchandra Chaubisa	09629889	Member	Non-Executive Independent Director
Mr. Vipul Jatashanker Bhatt	06716658	Member	Chairman and Managing Director



# NOTICE OF 3<sup>RD</sup> ANNUAL GENERAL MEETING

**Notice** is hereby given that the Third (3rd) Annual General Meeting (AGM) of **Vital Chemtech Limited** ("the Company") will be held on Monday, September 30, 2024 at 12:00 noon IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses;

## Ordinary Businesses:

### 1. Adoption of Financial Statements:

To consider and adopt;

**a)** The Audited Standalone Financial Statement of the Company for the Financial Year ended on March 31, 2024 and the report of the Board of Directors and Auditors thereon; and

**b)** The Audited Consolidated Financial Statement of the Company for the Financial Year ended on March 31, 2024 and the report of Auditors thereon.

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolutions;**

**a) "RESOLVED THAT** the Audited Standalone financial statement of the Company for the financial year ended on March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

**b) "RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended on March 31, 2024 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

### 2. To declare a Dividend on equity shares for the financial year ended March 31, 2024

In this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT a Dividend at the rate of Rs. 0.50/- (Fifty Paise Only) per equity share of Rs.10/- (Ten rupees only) each fully paid-up of the Company (i.e. 5 % of face value), as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2024 and the same be paid out of the profits of the Company."

**3. To appoint** a Director in place of Mr. Vipul Bhatt (DIN: 06716658), who retires by rotation and being eligible, offers himself for re-appointment:

**Explanation:** Based on the terms of appointment, executive directors and the non-executive directors are subject to retirement by rotation. Mr. Vipul Bhatt (DIN: 06716658), who was appointed on November 25, 2021 (Since Inception) as executive director and whose designation was changed to a Managing Director w.e.f. February 15, 2022 and was also appointed as Chairman of the Company w.e.f. June 28, 2022. He is the longest-serving member on the Board and who is liable to retire, being eligible, seeks reappointment.

To the extent that Mr. Vipul Bhatt (DIN: 06716658), is required to retire by rotation, he would need to be re-appointed as such. Therefore, shareholders are requested to consider and if thought fit, to pass the following resolution as an Ordinary.

**Resolution:** "RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the shareholders of the Company be, and is hereby accorded to the reappointment of Mr. Vipul Bhatt (DIN:06716658), as such to the extent that he is required to retire by rotation."

**SPECIAL BUSINESSES:**

**4. To ratify** the remuneration payable to M/s. R J & Associates, Cost Accountants (Firm Registration Number: 004690) Cost Auditor of the Company for the Financial Year ended on March 31, 2024.

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and any other applicable provision(s), if any, of the Companies Act, 2013, read with the Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. R J & Associates, Cost Accountants (Firm Registration Number: 004690), Ahmedabad, appointed by the Board of Directors of the Company in their meeting held on May 29, 2024 as Cost Auditor of the Company, based on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year 2024-25.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company including its committee of Directors thereof, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**5. To approve** payment of Remuneration payable to Mr. Vipul Bhatt (DIN: 06716658), Chairman & Managing Director of the Company for his remaining term:

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, and Schedule V of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules, regulations issued by the Ministry of Corporate Affairs in this regard and other applicable Regulations of SEBI (LODR) Regulations, 2015 including any statutory amendments, modifications or re-enactment thereof and all other statutory approvals, as may be required and on recommendation of Nomination and Remuneration Committee and pursuant to approval of the Board of Directors (hereinafter referred to as “the Board”), the approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Vipul Bhatt (DIN: 06716658), Chairman & Managing Director of the Company as set out in the explanatory statement attached hereto, for the remaining term until revised and further with other terms and conditions remaining unchanged as per the explanatory statement of resolution passed for his appointment as Chairman and Managing Director with the power to the Board of Directors to alter and modify the same, inconsonance with the provisions of the Act and in the best interest of the Company.

**RESOLVED FURTHER THAT** subject to the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the Remuneration payable to Mr. Vipul Bhatt (DIN: 06716658), as set out in the explanatory statement attached hereto, in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in Section II of Part II of Scheduled V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors (or any Committee thereof) be and is hereby authorized to undertake all acts, deeds and execute all documents and pass relevant resolutions for the purpose of giving effect to this resolution, including modification and amendment of any revisions, thereof and to undertake all such steps, as may be deemed necessary in this matter.

**RESOLVED FURTHER THAT** the Executive Directors or the Company Secretary of the Company, be and are hereby severally authorized to file the said resolution with the Registrar of Companies, Ahmedabad, and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution.”

**6. To approve** payment of Remuneration payable to Mr. Jay Bhatt (DIN: 09363173), Whole Time Director of the Company for his remaining term:

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:  
Annual Report 2023-24

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, and Schedule V of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules, regulations issued by the Ministry of Corporate Affairs in this regard and other applicable Regulations of SEBI (LODR) Regulations, 2015 including any statutory amendments, modifications or re-enactment thereof and all other statutory approvals, as may be required and on recommendation of Nomination and Remuneration Committee and pursuant to approval of the Board of Directors (hereinafter referred to as “the Board”), the approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Jay Bhatt (DIN: 09363173), Whole Time Director of the Company as set out in the explanatory statement attached hereto, for the remaining term until revised and further with other terms and conditions remaining unchanged as per the explanatory statement of resolution passed for his appointment as Whole Time Director with the power to the Board of Directors to alter and modify the same, inconsonance with the provisions of the Act and in the best interest of the Company.

**RESOLVED FURTHER THAT** subject to the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the Remuneration payable to Mr. Jay Bhatt (DIN: 09363173), as set out in the explanatory statement attached hereto, in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in Section II of Part II of Scheduled V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors (or any Committee thereof) be and is hereby authorized to undertake all acts, deeds and execute all documents and pass relevant resolutions for the purpose of giving effect to this resolution, including modification and amendment of any revisions, thereof and to undertake all such steps, as may be deemed necessary in this matter.

**RESOLVED FURTHER THAT** the Executive Directors or the Company Secretary of the Company, be and are hereby severally authorized to file the said resolution with the Registrar of Companies, Ahmedabad, and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution.”

**7. To approve** payment of remuneration payable to Mrs. Sangeeta Vipul Bhatt (DIN: 06716704), Whole Time Director of the Company for her Remaining term:

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, and Schedule V of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules, regulations issued by the Ministry of Corporate Affairs in this regard and other applicable Regulations of SEBI (LODR) Regulations, 2015 including any statutory amendments, modifications or re-enactment thereof and all other statutory approvals, as may be required and on recommendation of Nomination and Remuneration Committee and pursuant to approval of the Board of Directors (hereinafter referred to as “the Board”), the approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mrs Sangeeta Vipul Bhatt (DIN: 06716704), Whole Time Director of the Company as set out in the explanatory statement attached hereto, for the remaining term until revised and further with other terms and conditions remaining unchanged as per the explanatory statement of resolution passed for her appointment as Whole Time Director with the power to the Board of Directors to alter and modify the same, inconsonance with the provisions of the Act and in the best interest of the Company.

**RESOLVED FURTHER THAT** subject to the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the Remuneration payable to Mrs Sangeeta Vipul Bhatt (DIN: 06716704), as set out in the explanatory statement attached hereto, in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in Section II of Part II of Scheduled V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors (or any Committee thereof) be and is hereby authorized to undertake all acts, deeds and execute all documents and pass relevant resolutions for the purpose of giving effect to this resolution, including modification and amendment of any revisions, thereof and to undertake all such steps, as may be deemed necessary in this matter.

**RESOLVED FURTHER THAT** the Executive Directors or the Company Secretary of the Company, be and are hereby severally authorized to file the said resolution with the Registrar of Companies, Ahmedabad, and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution."

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**Registered office:**

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

**Vipul Bhatt**

**Chairman and Managing Director**

**DIN:06716658**

**Jay Bhatt**

**Whole Time Director**

**DIN:09363173**

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**Date: September 03, 2024**

**Place: Ahmedabad**

## IMPORTANT NOTES

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 and latest being 09/2023 dated September 25, 2023 ("MCA Circulars") and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/ HO/CRD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the AGM of the Company is being held through VC on Friday, September 30, 2024 at 12:00 noon IST. The deemed venue of the proceedings of the 3rd AGM shall be the Registered Office of the Company at B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad, 380015.

2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.

3. In view of the 'Green Initiatives in Corporate Governance' introduced by MCA and in terms of the provisions of the Act, members who are holding shares of the Company in physical mode, are required to register their email addresses, so as to enable the Company to send all notices/reports/ documents/intimations and other correspondences, etc., through emails in the electronic mode instead of receiving physical copies of the same. Members holding shares in dematerialized form, who have not registered their email addresses with Depository Participant(s), are requested to register/ update their email addresses with their Depository Participant(s).

4. Electronic dispatch of Notice and Annual Report in accordance with the MCA General Circular Nos. 20/2020 dated 5th May, 2020 and 10/2022 dated 28th December, 2022 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, the financial statements (including Board's Report, Auditors' Report or other documents required to be attached therewith) for the Financial Year ended 31st March 2024 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose email addresses are registered with the Company/ Skyline Financial Services Private Limited or the Depository Participant(s). The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.

5. The Notice has also been uploaded on the website of the Company at [www.vitalgroup.co.in](http://www.vitalgroup.co.in) & the website of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and is also made available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

7. 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 there at and cast their votes through e-voting.

8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



9. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto;
10. The attendance of the 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.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the MCA Circulars & SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
12. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide the replies at the Meeting.
13. As per Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3
14. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2024. Members seeking to inspect such documents can send an email to [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in).
16. Process and manner for Members opting for voting through Electronic means:
- i.* Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL"), as the Authorised e-Voting agency for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by Members using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
  - ii.* Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, September 23, 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - iii.* A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, September 23, 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
  - iv.* The e-voting period commences on Friday, September 27, 2024 from 9:00 A.M. (IST) and ends on Sunday, September 29, 2024 upto 5:00 P.M. (IST). During this period, members holding shares in dematerialised form, as on cut-off date, i.e. as on Monday, September 23, 2024 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast.

- v. Once the vote on resolutions is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Monday, September 23, 2024.
- vii. The Board has appointed M/s. SCS and Co LLP (M. No.: A41942, COP: 23630) Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

17. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

18. The Scrutinizer will submit their report to the Chairman of the Company ('the Chairman') or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and will also be displayed on the Company's website, [www.vitalgroup.co.in](http://www.vitalgroup.co.in)

19. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins Friday, September 27, 2024 from 9:00 A.M. (IST) and ends on Sunday, September 29, 2024 upto 5:00 P.M (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. on Monday, September 23, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, September 23, 2024.

#### **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS AND PARTICIPATING AT THE ANNUAL GENERAL MEETING THROUGH VC/OAVM:**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

2. There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, September 23, 2024 shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

3. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, September 23, 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.

4. The remote e-voting will commence on Friday, September 27, 2024 from 9:00 A.M. (IST) and ends on Sunday, September 29, 2024 upto 5:00 P.M (IST) During this period, the members of the Company holding shares as on the Cut-off date i.e. Monday, September 23, 2024, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.

5. Once the vote on a resolutions is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

6. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Monday, September 23, 2024

7. The Company has appointed M/s. SCS and Co LLP (M. No.: A41942, COP: 23630) Company Secretaries , to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

#### **INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING**

The remote e-voting period begins on Friday, September 27, 2024 from 9:00 A.M. (IST) and ends on Sunday, September 29, 2024 upto 5:00 P.M (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, September 23, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being i.e. Monday, September 23, 2024.

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

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


##### **Step 1: Access to NSDL e-Voting system**

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

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting</li> </ol>



Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<p>website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> App Store  Google Play</p> <p> </p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>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 Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>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 &amp; 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.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
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 <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below:

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

6. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

**c) How to retrieve your 'initial password'?**

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio

number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those **shareholders whose email ids are not registered.**

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

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

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

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

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client

master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 3rd AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the 3rd AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the 3rd AGM at the Registered Office of the Company or 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 in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the 3rd AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. 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.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in). The same will be replied by the company suitably.

#### **INFORMATION ON DIVIDEND:**

i). Subject to approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the Members whose names appear on the Company's Register of Members as on the Record Date i.e. Friday, September 13, 2024, and in respect of the shares held in dematerialized mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

ii). Promoter/Promoter group has requested for waiver of their Dividend. Alteration of Articles for waiver of dividend is subject to

approval of shareholders. If Alteration of Articles of Association is approved in the 3rd Annual general Meeting, the dividend will be paid within 30 days from the conclusion of the AGM, to only Public Shareholders whose names appear on the Company's Register of Members as on the Record Date i.e. Friday, September 13, 2024.

iii). Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. In case the payment of dividend may not be made through electronic mode due to various reason, Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service.

iv). Shareholders are requested to register/ update their complete bank details with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialized mode by submitting the requisite documents.

v). Pursuant to the Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020/Income Tax Act, 1961 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/ RTA (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/ 15H, to avail the benefit of non-deduction of tax at source by e-mail to [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in). by Friday, September 20, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [compliance@vitalgroup.co.in](mailto:compliance@vitalgroup.co.in). The aforesaid declarations and documents need to be submitted by the shareholders by Friday, September 20, 2024.

vi). The Company has fixed Friday, September 13, 2024 as the 'Record Date' for determining entitlement of members to receive dividend for the FY 2023-24, if approved at the AGM. Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or before Wednesday, October 30, 2024, subject to applicable TDS.

vii). Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of which dividends are not encashed for the consecutive period of seven (7) years are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

viii). Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

Company	VITAL CHEMTECH LIMITED Address: B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad-380015, Gujarat Tel No.: 079-46005840 Email: <a href="mailto:info@vitalgroup.co.in">info@vitalgroup.co.in</a> Web: <a href="http://www.vitalgroup.co.in">www.vitalgroup.co.in</a>
Registrar and Transfer Agent	Skyline Financial Services Private Limited D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi-110020. E-mail: <a href="mailto:info@skylinerta.com">info@skylinerta.com</a> Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a> Tel no.: +91-22-49721245, 28511022

e-Voting Agency & VC/OAVM	Email:evoting@nsdl.com NSDL help desk 1800-222-990
Scrutinizer	M/s SCS and Co LLP Ms. Anjali Sangtani (Membership M. No.: A41942, COP: 23630) Office No. B- 1310, Thirteenth floor, "Shilp Corporate Park" Rajpath Rangoli Road, Thaltej, Ahmedabad-380054, Gujarat Email:scsandcollp@gmail.com.; Mo No: +91 8128156833



# EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act 2013 and Secretarial Standard 2 on General Meetings)

## ITEM NO. 04:

### To approve Cost Auditor's Remuneration for the Financial Year 2024-25: Ordinary Resolution:

The Board of Directors at its meeting held on May 29, 2024, upon the recommendation of the Audit Committee, approved the appointment of M/s. R J & Associates, Cost Accountants (Firm Registration Number: 004690), Ahmedabad, to conduct the audit of the Cost records of the Company for the Financial Year ending on March 31, 2024 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) excluding all applicable taxes and reimbursement of out of pocket expenses. In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended or re-enacted from time to time) the remuneration as mentioned above, payable to the Cost Auditors, is required to be ratified by the Members of the Company.

The Board recommends the resolution set out under Item No. 04 for the approval of the Members by way of passing an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, is, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

## ITEM NO. 05:

### To approve payment of Remuneration payable to Mr. Vipul Bhatt (DIN: 06716658), Chairman & Managing Director of the Company for his remaining term: Special Resolution:

Mr. Vipul Bhatt (DIN: 06716658), was Re-appointed as Chairman & Managing Director for a period of 5 years w.e.f. February 15, 2022. Mr. Vipul Bhatt (DIN: 06716658) was appointed under Schedule V of Companies Act, 2013, therefore approval of Shareholders was sought for remuneration of director for 3 years upto February 14, 2025. On the recommendation of the Nomination and Remuneration Committee of the Company, the Board has considered approval of limit of remuneration, i.e. upto Rs. 26 Lakh per month with such increments may be decided by the Board from time to time to be paid to Mr. Vipul Bhatt (DIN: 06716658) for his remaining tenure as Chairman & Managing Director. The other terms and conditions of his appointment, as approved by the Shareholders shall remain unchanged.

The Nomination and Remuneration Committee has noted that the Company has not made any default in repayment of its dues to Banks or Financial Institutions.

Further, as per the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the minimum Remuneration payable to Mr. Vipul Bhatt (DIN: 06716658), in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in be Section II of Part II of Scheduled V to the Companies Act, 2013 or any other applicable limits, as provided by the Central Government in this regard, from time to time.

Pursuant to Sections 196, 197, 198, 203 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of SEBI (LODR) Regulations, 2015, remuneration payable to Mr. Vipul Bhatt (DIN: 06716658), as Chairman & Managing Director is now being placed before the Members for their approval by way of Special Resolution.

The relevant disclosures in terms of Schedule V to the Companies Act, 2013 is given hereunder;

### General Information

**Nature of Industry:** The Company is in manufacturing of chemicals sector

**Date of commencement of commercial production:** The Company is already making the production.

**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable

**FINANCIAL PERFORMANCE BASED ON GIVEN INDICATORS:**

(Amount in Lakhs)

Particulars	Standalone-Year Ended		Consolidated-Year Ended	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue From Operations	10,173.26	11,674.33	9,827.38	11,674.33
Other Income	330.91	14.20	333.21	14.20
<b>Total Income</b>	<b>10,504.17</b>	<b>11,688.53</b>	<b>10,160.59</b>	<b>11,688.53</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	9681.64	10195.94	9807.84	10195.94
<b>Profit / (Loss) before Depreciation, Finance Cost and Tax</b>	<b>822.53</b>	<b>1492.59</b>	<b>352.75</b>	<b>1492.59</b>
Less: Depreciation	217.55	231.75	263.30	231.75
Less: Finance Cost	113.77	112.37	124.71	112.37
<b>Profit / (Loss) Before Tax</b>	<b>491.21</b>	<b>1,148.47</b>	<b>(35.26)</b>	<b>1,148.47</b>
Less: Current Tax	116.49	300.00	116.49	300.00
Less: Deferred tax Liability (Asset)	(27.63)	43.33	(21.52)	43.33
<b>Profit / (Loss) after Tax</b>	<b>402.35</b>	<b>805.14</b>	<b>(130.23)</b>	<b>805.14</b>

**Export performance and net foreign exchange:** During the year under review, the Company having export performance and net foreign exchange expenditure.

Particulars	For the Period Ended on March 31, 2024
<b>Foreign Exchange Earnings Sales</b>	
Receipts in Foreign Currency	61.93
FOB Value of Exports	114.20
<b>Foreign Exchange Outgoings Purchase</b>	
Payments in Foreign Currency	5368.69
CIF Value of Imports	7793.15

**Foreign Investment and collaborations, if any:** No collaborations have been made by the Company with any of foreign entity.



**Information about the Director:**

**Background Details:** Mr. Vipul Bhatt (DIN: 06716658), aged 52 years was a Designated Partner of Vital Chemtech Limited liability Partnership since February 12, 2015 and was appointed as a Director on incorporation/conversion of Vital Chemtech Limited liability Partnership to Vital Chemtech Limited and has been appointed as Managing Director w.e.f February 15, 2022. He is holding the degree of Diploma in Chemical engineering. He has an experience of more than 12 years in the business.

**Past Remuneration:** Rs. 8400000 p.a

**Job Profile and his suitability:** He takes care of Operations department. He takes care of Finance as well. He is involved in business development process.

**Terms and conditions of Remuneration: -**

Basic Salary up to Rs. 26,00,000 per month excluding perquisite mentioned hereunder for the existing term.

**Comparative remuneration profile with respect to Industry, Size of the company, Profile of the position and person:**

Taking into consideration the size of the Company, the profile of Mr. Vipul Bhatt (DIN: 06716658), the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

**Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:**

Mr. Vipul Bhatt has pecuniary relationship to the extent he is promoter of the Company. He is Husband of Mrs. Sangeeta Vipul Bhatt (Whole-time director) and Father of Mr. Jay Bhatt (Whole-time director)

In compliance with the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, read with Schedule V to the Act, the appointment of Mr. Vipul Bhatt a Chairman and Managing Director of the Company are now being placed before the Members for their approval. Further, remuneration proposed above shall be valid for the existing term of Mr. Vipul Bhatt (DIN: 06716658) until revised further with other terms and conditions remaining unchanged as per the resolution passed.

Mr. Vipul Bhatt (DIN: 06716658), for the term as Chairman and Managing Director will be beneficial to the operations of the Company and the same is commensurate with his abilities and experience and accordingly recommends the Special Resolution at Item No. 05 of the accompanying Notice for approval by the Members of the Company.

Except Mr. Vipul Bhatt (DIN: 06716658) himself, and his relatives to the extent of their shareholding in the Company, none of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

The Board recommends the Special Resolution as set out at item no. 05 for approval by the Members.

**ITEM NO. 06:****To approve payment of Remuneration payable to Mr. Jay Bhatt (DIN: 09363173), Whole Time Director of the Company for his remaining term: Special Resolution:**

Mr. Jay Bhatt (DIN: 09363173), was appointed as Whole Time Director for a period of 5 years w.e.f. February 15, 2022. Mr. Jay Bhatt (DIN: 09363173) was appointed under Schedule V of Companies Act, 2013, therefore approval of Shareholders was sought for remuneration of director for 3 years upto February 14, 2025. On the recommendation of the Nomination and Remuneration Committee of the Company, has considered approval of limit of remuneration, i.e. upto Rs. 20 Lakh per months with such increments may be decided by the Board from time to time to be paid to Mr. Jay Bhatt (DIN: 09363173) for her remaining tenure as Whole Time Director. The other terms and conditions of his appointment, as approved by the Shareholders shall remain unchanged.

The Nomination and Remuneration Committee has noted that the Company has not made any default in repayment of its dues to Banks or Financial Institutions.

Further, as per the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the minimum Remuneration payable to Mr. Jay Bhatt (DIN: 09363173) in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in be Section II of Part II of Scheduled V to the Companies Act, 2013 or any other applicable limits, as provided by the Central Government in this regard, from time to time.

Pursuant to Sections 196, 197, 198, 203 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of SEBI (LODR) Regulations, 2015, remuneration payable to Mr. Jay Bhatt (DIN: 09363173) as Whole Time Director is now being placed before the Members for their approval by way of Special Resolution. The relevant disclosures in terms of Schedule V to the Companies Act, 2013 is given hereunder;

#### General Information

**Nature of Industry:** the Company is in manufacturing of chemicals sector

**Date of commencement of commercial production:** The Company is already making the production.

**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable

#### FINANCIAL PERFORMANCE BASED ON GIVEN INDICATORS:

(Amount in Lakhs)

Particulars	Standalone-Year Ended		Consolidated-Year Ended	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue From Operations	10,173.26	11,674.33	9,827.38	11,674.33
Other Income	330.91	14.20	333.21	14.20
<b>Total Income</b>	<b>10,504.17</b>	<b>11,688.53</b>	<b>10,160.59</b>	<b>11,688.53</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	9681.64	10195.94	9807.84	10195.94
<b>Profit / (Loss) before Depreciation, Finance Cost and Tax</b>	<b>822.53</b>	<b>1492.59</b>	<b>352.75</b>	<b>1492.59</b>
Less: Depreciation	217.55	231.75	263.30	231.75
Less: Finance Cost	113.77	112.37	124.71	112.37
<b>Profit / (Loss) Before Tax</b>	<b>491.21</b>	<b>1,148.47</b>	<b>(35.26)</b>	<b>1,148.47</b>
Less: Current Tax	116.49	300.00	116.49	300.00
Less: Deferred tax Liability (Asset)	(27.63)	43.33	(21.52)	43.33
<b>Profit / (Loss) after Tax</b>	<b>402.35</b>	<b>805.14</b>	<b>(130.23)</b>	<b>805.14</b>

**Export performance and net foreign exchange:** During the year under review, the Company having export performance and net foreign exchange expenditure.

Particulars	For the Period Ended on March 31, 2024
<b>Foreign Exchange Earnings Sales</b>	
Receipts in Foreign Currency	61.93
FOB Value of Exports	114.20
<b>Foreign Exchange Outgoings Purchase</b>	
Payments in Foreign Currency	5368.69
CIF Value of Imports	7793.15

**Foreign Investment and collaborations, if any:** No collaborations have been made by the Company with any of foreign entity.

**Information about the Director:**

**Background Details:** Mr. Jay Bhatt (DIN: 09363173) aged 28 and has been appointed as Whole Time Director w.e.f. February 15, 2022. He is holding the degree of B.E (Chem), MSC Management from UK. He has an experience of more than 5 years in the business.

**Past Remuneration:** Rs. 20 Lakh per months

Job Profile and his suitability: He takes care of Operations department. He is involved in business development process.

**Terms and conditions of Remuneration:-**

Basic Salary up to Rs. 20 Lakh per months excluding perquisite mentioned hereunder for the existing term.

**Comparative remuneration profile with respect to Industry, Size of the company, Profile of the position and person:**

Taking into consideration the size of the Company, the profile of Mr. Jay Bhatt, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

**Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:**

Mr. Jay Bhatt has pecuniary relationship to the extent he is promoter of the Company. He is son of Vipul Bhatt (Chairman & Managing Director) and Sangeeta Vipul Bhatt (Whole-Time Director)

In compliance with the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, read with Schedule V to the Act, the appointment of Mr. Jay Bhatt as a Whole Time Director of the Company are now being placed before the Members for their approval. Further, remuneration proposed above shall be valid for the existing term of Mr. Jay Bhatt until revised further with other terms and conditions remaining unchanged as per the resolution passed.

Mr. Jay Bhatt, for the term as Whole Time Director will be beneficial to the operations of the Company and the same is commensurate with her abilities and experience and accordingly recommends the Special Resolution at Item No. 06 of the accompanying Notice for approval by the Members of the Company.

Except, Mr. Jay Bhatt himself and his relatives to the extent of their shareholding in the Company, none of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

The Board recommends the Special Resolution as set out at item no. 06 for approval by the Members

**ITEM NO. 07:****To approve payment of Remuneration payable to Mrs. Sangeeta Vipul Bhatt (DIN: 06716704), Whole Time Director of the Company for her remaining term: Special Resolution:**

Mrs. Sangeeta Vipul Bhatt (DIN: 06716704), was Re-appointed as Whole Time Director for a period of 5 years w.e.f. February 15, 2022. Mrs. Sangeeta Vipul Bhatt (DIN: 06716704) was appointed under Schedule V of Companies Act, 2013, therefore approval of Shareholders was sought for remuneration of director for 3 years upto February 14, 2025. On the recommendation of the Nomination and Remuneration Committee of the Company, has considered approval of limit of remuneration, i.e. upto Rs. 15 Lakh per month with such increments may be decided by the Board from time to time to be paid to Mrs. Sangeeta Vipul Bhatt (DIN: 06716704) for her remaining tenure as Whole Time Director. The other terms and conditions of her appointment, as approved by the Shareholders shall remain unchanged.

The Nomination and Remuneration Committee has noted that the Company has not made any default in repayment of its dues to Banks or Financial Institutions.

Further, as per the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the minimum Remuneration payable to Mrs. Sangeeta Vipul Bhatt (DIN: 06716704) in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in be Section II of Part II of Scheduled V to the Companies Act, 2013 or any other applicable limits, as provided by the Central Government in this regard, from time to time.

Pursuant to Sections 196, 197, 198, 203 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable Regulations of SEBI (LODR) Regulations, 2015, remuneration payable to Mrs. Sangeeta Vipul Bhatt (DIN: 06716704) as Whole Time Director is now being placed before the Members for their approval by way of Special Resolution.

The relevant disclosures in terms of Schedule V to the Companies Act, 2013 is given hereunder;

#### General Information

**Nature of Industry:** the Company is in manufacturing of chemicals sector.

**Date of commencement of commercial production:** The Company is already making the production.

**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable

#### FINANCIAL PERFORMANCE BASED ON GIVEN INDICATORS:

(Amount in Lakhs)

Particulars	Standalone-Year Ended		Consolidated-Year Ended	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue From Operations	10,173.26	11,674.33	9,827.38	11,674.33
Other Income	330.91	14.20	333.21	14.20
<b>Total Income</b>	<b>10,504.17</b>	<b>11,688.53</b>	<b>10,160.59</b>	<b>11,688.53</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	9681.64	10195.94	9807.84	10195.94
<b>Profit / (Loss) before Depreciation, Finance Cost and Tax</b>	<b>822.53</b>	<b>1492.59</b>	<b>352.75</b>	<b>1492.59</b>
Less: Depreciation				
Less: Finance Cost	217.55	231.75	263.30	231.75
<b>Profit / (Loss) Before Tax</b>	<b>113.77</b>	<b>112.37</b>	<b>124.71</b>	<b>112.37</b>
Less: Current Tax	<b>491.21</b>	<b>1,148.47</b>	<b>(35.26)</b>	<b>1,148.47</b>
Less: Deferred tax Liability (Asset)	116.49 (27.63)	300.00 43.33	116.49 (21.52)	300.00 43.33
<b>Profit / (Loss) after Tax</b>	<b>402.35</b>	<b>805.14</b>	<b>(130.23)</b>	<b>805.14</b>

**Export performance and net foreign exchange:** During the year under review, the Company having export performance and net foreign exchange expenditure.

Particulars	For the Period Ended on March 31, 2024
<b>Foreign Exchange Earnings Sales</b>	
Receipts in Foreign Currency	61.93
FOB Value of Exports	114.20
<b>Foreign Exchange Outgoings Purchase</b>	
Payments in Foreign Currency	5368.69
CIF Value of Imports	7793.15

**Foreign Investment and collaborations, if any:** No collaborations have been made by the Company with any of foreign entity.

**Information about the Director:**

**Background Details:** Mrs. Sangeeta Vipul Bhatt (DIN: 06716704) aged 52 years is Whole Time Director of the company. She is holding the degree of B.com She has an experience of more than 12 years in the business.

**Past Remuneration:** 15 Lakh per month

Job Profile and her suitability: She takes care of Finance as well. She is involved in business development process.

**Terms and conditions of Remuneration: -**

Basic Salary up to 15 Lakh per month excluding perquisite mentioned hereunder for the existing term.

**Comparative remuneration profile with respect to Industry, Size of the company, Profile of the position and person:**

Taking into consideration the size of the Company, the profile of Mrs. Sangeeta Vipul Bhatt, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

**Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:**

Mrs. Sangeeta Vipul Bhatt has pecuniary relationship to the extent she is promoter group shareholder of the Company. she is wife of Mr. Vipul Bhatt (Chairman & Managing Director) And Mother of Mr. Jay Bhatt (Whole Time Director)

In compliance with the provisions of Sections 196, 197, 198 and other applicable provisions of the Act, read with Schedule V to the Act, the appointment of Mrs. Sangeeta Vipul Bhatt as a Whole Time Director of the Company are now being placed before the Members for their approval. Further, remuneration proposed above shall be valid for the existing term of Mrs. Sangeeta Vipul Bhatt until revised further with other terms and conditions remaining unchanged as per the resolution passed.

Mrs. Sangeeta Vipul Bhatt, for the term as Whole Time Director will be beneficial to the operations of the Company and the same is commensurate with her abilities and experience and accordingly recommends the Special Resolution at Item No. 07 of the accompanying Notice for approval by the Members of the Company.

Except, Mrs. Sangeeta Vipul Bhatt herself and her relatives to the extent of their shareholding in the Company, none of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

The Board recommends the Special Resolution as set out at item no. 07 for approval by the Members

**Registered office:**

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

**CIN: L24299GJ2021PLC127538**

**Vipul Bhatt**

**Chairman and Managing Director**

**DIN: 06716658**

**Jay Bhatt**

**Whole Time Director**

**DIN: 09363173**

**Date: September 03, 2024**

**Place: Ahmedabad**

**ANNEXURE TO NOTICE OF 3<sup>RD</sup> ANNUAL GENERAL MEETING  
DISCLOSURE UNDER REGULATION 36 (3) OF SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015  
AND SECRETARIAL STANDARDS-II ISSUED BY ICSI FOR ITEM NO.03**

<b>Name of Director</b>	<b>Mr. Vipul Bhatt</b>
<b>DIN</b>	<b>06716658</b>
<b>Age</b>	<b>52 years</b>
<b>Nationality</b>	<b>Indian</b>
<b>Date of Birth</b>	<b>November 5, 1971</b>
<b>Qualification</b>	<b>Diploma in Chemical Engineering from Government Engineering College, Bharuch.</b>
<b>Experience - Expertise in specific functional areas - Job profile and suitability</b>	<b>He is having More than twelve years of experience.</b>
<b>Shareholding in the Company as on March 31, 2024</b>	<b>Holds 1,31,98,500 Equity Shares</b>
<b>Terms &amp; Conditions</b>	<b>Liable to retire by rotation</b>
<b>Remuneration Last Drawn</b>	<b>Rs. 8400000 p.a</b>
<b>Remuneration sought to be paid</b>	<b>Up to Rs. 26,00,000 per month</b>
<b>Number of Board Meetings attended during the Financial Year 2023-24</b>	<b>08 Meeting out of 08 Board Meetings</b>
<b>Date of Original Appointment</b>	<b>November 25, 2021</b>
<b>Date of Appointment in current terms</b>	<b>February 15, 2022</b>
<b>Directorships held in public companies including deemed public companies</b>	<b>Vital Synthesis Limited Vital Wellness Limited</b>
<b>Memberships / Chairmanships* of committees of public companies</b>	<b>Membership-3, Chairmanship-0</b>
<b>Inter-se Relationship with other Directors<sup>^</sup></b>	<b>He is Spouse of Mrs. Sangeeta Vipul Bhatt and Father of Mr. Jay Vipul Bhatt.</b>
<b>Information as required pursuant to N S E Circular No. L1ST/COMP/14/2018- 19 dated June 20, 2018</b>	<b>Mr. Vipul Bhatt is not debarred from holding the office of director pursuant to any SEBI order.</b>

\*Includes only Audit Committee and Stakeholders' Relationship Committee.

<sup>^</sup>In accordance with SEBI (ICDR) Regulations, 2018 and the Companies Act, 2013.



# DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024 ("FY 2023-24/ Fy24").

## Financial Highlights:

The Audited Financial Statements of your Company as on March 31, 2024, are prepared in accordance with the relevant applicable Accounting Standards ("AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below: (Amount in Lakhs)

Particulars	Standalone-Year Ended		Consolidated-Year Ended	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue From Operations	10,173.26	11,674.33	9,827.38	11,674.33
Other Income	330.91	14.20	333.21	14.20
<b>Total Income</b>	<b>10,504.17</b>	<b>11,688.53</b>	<b>10,160.59</b>	<b>11,688.53</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	9681.64	10195.94	9807.84	10195.94
<b>Profit / (Loss) before Depreciation, Finance Cost and Tax</b>	<b>822.53</b>	<b>1492.59</b>	<b>352.75</b>	<b>1492.59</b>
Less: Depreciation	217.55	231.75	263.30	231.75
Less: Finance Cost	113.77	112.37	124.71	112.37
<b>Profit / (Loss) Before Tax</b>	<b>491.21</b>	<b>1,148.47</b>	<b>(35.26)</b>	<b>1,148.47</b>
Less: Current Tax	116.49	300.00	116.49	300.00
Less: Deferred tax Liability (Asset)	(27.63)	43.33	(21.52)	43.33
<b>Profit / (Loss) after Tax</b>	<b>402.35</b>	<b>805.14</b>	<b>(130.23)</b>	<b>805.14</b>

## BUSINESS OVERVIEW & FINANCIAL PERFORMANCE:

### Standalone Financial performance of the Company

The Total income of your Company for the year ended March 31, 2024 was Rs. 10,504.17 Lakh as against the total income of Rs. 11,688.53 Lakh for the previous year ended March 31, 2023. The Total Income of your company was decreased by 10.13% over previous year.

During the year, your Company has earned a Net Profit after Tax of Rs. 402.35 Lakh for the current financial year under review as compared to Net Profit after Tax of Rs. 805.14 Lakh in the previous financial year. The profit of your Company decreased about 50.03% as compared to previous financial year.

### Consolidated Financial Performance of your Company:

The Consolidated Financial Statements presented by your Company include the financial result of Vital Alkoxides Private limited and Vital Synthesis Limited, Subsidiary Companies of our Company. During the year under review, the Consolidated total income of your Company was Rs. 10,160.59 Lakh, the Consolidated Revenue from Operation of the Company was Rs. 9,827.38 Lakh and your Company had a Consolidated Net loss after Tax of Rs. 130.23 Lakh for the year ended March 31, 2024 as compared to Net Profit after Tax of Rs. 805.14 Lakhs during the previous financial year ended March 31, 2023.

**Transfer to General Reserve:**

During the FY 2023-24, the Company has Rs 396.52 transferred amount in Reserve and Surplus and the Board has propose to transfer any amount to General Reserves

**Dividend:**

The Board of Directors of the Company, in its Meeting held on Wednesday, May 29, 2024 recommended a final Dividend of Rs 0.50/- (Fifty Paise only) per equity share, face value Rs 10/- per equity share (i.e. 5% face value) for the financial year ended on March 31, 2024. Subject to approval of Members in the ensuing Annual General Meeting.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The dividend, if declared, shall be subject to deduction of income tax at source. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

**TRANSFER OF SHARES AND UNPAID/UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under 2023-24, the Company was not required to transfer the equity shares/unclaimed dividend to Investor Education and Protection Fund (IEPF) pursuant to provisions of Section 124 and 125 of the Companies Act, 2013. The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

Financial year	Date of Declaration of Dividend	Dividend per Share (in Rs.)	Due Date for transfer to IEPF	Amount not claimed as on March 31, 2024 (In Rs.)
2023-24	September 27, 2023	0.50	27/10/2030	96480

No amount of unclaimed dividend is due for transfer to the Investor Education and Protection Fund administered by the Central Government pursuant to Section 124 and 125 of the Companies Act, 2013. Further, the Company does not have any unclaimed shares pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules, 2016 as notified from time to time.

**CHANGE IN NATURE OF BUSINESS:**

During the year under review, your Company has not changed its business or object and continues to be in the same line of business as per the main object of the Company.

**SHARE CAPITAL:****Authorized Capital:**

During the year under review, there was no change in the Authorized share capital of your Company.

The Authorized Share Capital of your Company is Rs. 25,00,00,000 /- (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

**Issued, Subscribed & Paid-Up Capital:**

During the year under review, there was no change in the Issued, Subscribed & Paid-Up Capital of your Company.

The Paid-up Capital of the Company is Rs. 23,95,11,000/- (Twenty-Three Crore Ninety-Five Lakh Eleven Thousand Rupees Only)/- divided into 2,39,51,100 (Two Crore Thirty Nine Lakh Fifty One Thousand One Hundred only) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

**Utilization of IPO Proceeds:**

The Company raised funds of Rs. 64.64 Crores through Initial Public Offering (IPO). The gross proceeds of IPO have been utilized in the manner as proposed in the Offer Document (Prospectus), the details of which are hereunder: (Rs. in Crore)

Sr. No	Original Object	Original Allocation	Funds Utilized up to March 31, 2024
1.	To meet Working Capital Requirements	45	45
2.	For General Corporate Purpose	15.76	15.76
3.	For Public issue Expenditures	3.88	3.88
	Total	64.64	64.64



Further, there is no deviation/variation in the utilization of the gross proceeds raised through IPO.

#### **ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY AND MEMORANDUM OF ASSOCIATION:**

During the year under review, there were no changes took place in Memorandum of Association of your Company. However, in the 2nd Annual General Meeting of our Company held on Wednesday, September 27, 2023 the Articles Of Association Of The Company was altered and below mentioned clauses were altered:-

#### **1. Deletion of Clauses 156, 157 of Common Seal which is reproduced below;**

##### **156. Common Seal**

The Board shall provide a common sea' of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be Kept at the Registered Office of the Company and committed to the custody of the Directors.

##### **157. Affixture of Common Seal**

The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.

#### **2. Addition of below Sub- clauses under Heading Rights to Dividend:- Rights to Dividend**

**158 (a)** Notwithstanding anything contained in these Articles of the Company, but subject to the provisions of the Act and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board, it shall be open for the Members of the Company who hold the equity shares in the Company to waive/forgo his/their right to receive the dividend (interim or final) by him/them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Members, his/their right to receive the dividend (interim or final) by him/them under this Article shall be irrevocable immediately after the record date/book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/forgone his/their right to receive the dividend (interim or final) by him/ them under this Article.

**158 (b)** The Company may pay dividends to the Members other than Members who have waived/ forgone their right, of receiving dividends (including any interim dividend) in respect of any financial year in accordance with the rules framed by the Board of Directors of the Company and amended from time to time by the Board of Directors of the Company, in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.

**158 (c)** No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

**158 (d)** Subject to the provisions of the Act, the Directors may, from time to time, pay to the Members other than the Members who have waived/foregone their right of receiving any dividend declared / to be declared by the Company for any financial year, in accordance with Rules framed by the Board and amended from time to time, such interim dividends as in their judgment the position of the Company justifies.

Post Deletion of Article No. 156, subsequent Articles will be renumbered accordingly

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As on March 31, 2024, your Company's Board have five members comprising of three Executive Directors, and two Independent Directors.

**The details of Board of Directors are as follows:**

Name of Director	Category Cum Designation	Initial date of Appointment	Date of Appointment at current Term & designation	Total Director Ships in other Co. 1	No. of Committee 1		No. of Shares held as on March 31, 2024
					in which Director is Chairman <sup>2</sup>	in which Director is Chairman <sup>2</sup>	
Mr. Vipul Jatashanker Bhatt	Chairman and Managing Director	25-11-2021	15-02-2022	3	2	-	1,31,98,500
Mr. Jay Vipul Bhatt	Whole-Time Director	25-11-2021	15-02-2022	4	-	-	300
Mrs. Sangeeta Vipul Bhatt	Whole-Time Director	25-11-2021	15-02-2022	2	-	-	43,87,500
Mr. Hetalkumar Jayantilal Shah	Non-Executive Independent Director	03-06-2022	22-08-2022	-	2	2	-
Mr. Deepakkumar Kushalchandra Chaubisa	Non-Executive Independent Director	03-06-2022	22-08-2022	1	2	-	-

*1 excluding Section 8 Company, Struck off Company, Amalgamated Company and LLPs.*

*2 Committee includes Audit Committee, and Shareholders' Relationship Committee across all Public Companies including our Company.*

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations. None of the Director of the Company is serving as a Whole-Time Director in any other Listed Company and the number of their directorship is within the limits laid down under section 165 of the Companies Act, 2013.

#### **INFORMATION ON DIRECTORATE:**

##### **Board Composition:**

There were no Changes in Board Composition during the financial year 2023-24.

##### **DECLARATION FROM INDEPENDENT DIRECTORS:**

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

##### **KEY MANAGERIAL PERSONNEL:**

As on the date of this report, the following are Key Managerial Personnel ("KMPs") of the Company as per Sections 2(51) and 203 of the Act:

- Mr. Vipul Bhatt - Chairman and Managing Director
- Mrs. Sangeeta Vipul Bhatt - Whole-time director
- Mr. Jay Vipul Bhatt - Whole-time director
- Ms. Ketki Ajay Oza – Chief Financial Officer
- Mr. Chinmay Tikendrakumar Chokshi - Company Secretary & Compliance Officer

During financial year 2023-24, Mr Utsav Sudhir Trivedi tendered his resignation from the post of Company Secretary & Compliance Officer with effect from February 28, 2024. After closure of the year, Mr. Chinmay Tikendrakumar Chokshi appointed as Company Secretary & Compliance Officer of the Company with effect from May 21, 2024.

#### BOARD MEETING:

The Board of the Company regularly meets to discuss various Business opportunities. Additional Board meetings are convened, as and when required to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of the Company met 8 (Eight) times as on, April 03, 2023; May 22, 2023; August 28, 2023; November 08, 2023; December 01, 2023; December 14, 2023; December 27, 2023 and March 22, 2024 pursuant to Section 173 of the Companies Act, 2013, the time gap between the two consecutive Board Meetings was not be more than 120 days.

#### The details of attendance of each Director at the Board Meetings are given below:

Name of Director	DIN	Designation	Number of Board Meetings Eligible to attend	Number of Board Meetings Eligible to attend
Mr. Vipul Jatashanker Bhatt	06716658	Chairman and Managing Director	8	8
Mr. Jay Vipul Bhatt	09363173	Whole-Time Director	8	8
Mrs. Sangeeta Vipul Bhatt	06716704	Whole-Time Director	8	8
Mr. Hetalkumar Jayantilal Shah	07457701	Non-Executive Independent Director	8	8
Mr. Deepakkumar Kushalchandra Chaubisa	09629889	Non-Executive Independent Director	8	8

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

#### GENERAL MEETING:

During the year under review, the following general meetings were held, the details of which are given as under:

Sr. No	Type of General Meeting	Date of General Meeting
1.	Annual General Meeting	27-09-2023

#### DISCLOSURE BY DIRECTORS:

The Directors on the Board have submitted notice of interest under Section 184(1) of the Companies Act, 2013 i.e. in Form MBP-1, intimation under Section 164(2) of the Companies Act, 2013 i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.

#### INDEPENDENT DIRECTORS:

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has Two Non-Promoter & Non-Executive Independent Directors. The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Act. Further, all the Independent Directors of the Company have registered themselves in the Independent Director Data Bank. In the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, and expertise including the Proficiency and hold high standards of integrity for the purpose of Rule 8(5) (ilia) of the Companies (Accounts) Rules, 2014.

A separate meeting of Independent Directors was held on March 22, 2024 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

**CHANGE IN THE REGISTERED OFFICE:**

During the year under review, there was no change of registered office of the Company. The Registered Office of the Company is situated at B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad-380015, Gujarat.

**PERFORMANCE EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the following manners;

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
- In addition, the chairman was also evaluated on the key aspects of his role. Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors have 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 the year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2024 on going concern basis;
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) 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.

**COMMITTEES OF BOARD:**

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

**A. Audit Committee:**

The Company has formed audit committee in line with the provisions Section 177 of the Companies Act, 2013. Audit Committee meeting is generally held for the purpose of recommending the half yearly and yearly financial result. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. During the year under review, Audit Committee met 3 (Three) times viz. on May 22, 2023; August 28, 2023 ; November 08, 2023 & March 22, 2024.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of Meetings During the Financial Year 2023-24	
			Eligible to attend	Eligible to attend
Mr. Hetalkumar Jayantilal Shah	Non-Executive Independent Director	Chairperson	4	4
Mr. Deepakkumar Kushalchandra Chaubisa	Non-Executive Independent Director	Member	4	4
Mr. Vipul Jatashanker Bhatt	Chairman and Managing Director	Member	4	4

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever required. Company Secretary and Chief Financial Officer of the Company are the regular invitee at the Meeting.

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board of Directors.

#### **Vigil Mechanism:**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct.

Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company.

#### **B. Stakeholder's Grievance & Relationship Committee:**

The Company has constituted Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc.

During the year under review, Stakeholder's Relationship Committee met 4 (Four) times viz. on May 22, 2023; August 28, 2023; November 08, 2023 and March 22, 2024

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of Meetings During the Financial Year 2023-24	
			Eligible to attend	Eligible to attend
Mr. Hetalkumar Jayantilal Shah	Non-Executive Independent Director	Chairperson	4	4
Mr. Deepakkumar Kushalchandra Chaubisa	Non-Executive Independent Director	Member	4	4
Mr. Vipul Jatashanker Bhatt	Chairman and Managing Director	Member	4	4

The Company Secretary of the company acts as secretary for the Committees & was present in meetings of Stakeholder's Grievance & Relationship Committee held during the year.

The complaints received from shareholders were resolved during the year and 1(One) complaint is pending as on March 31, 2024.

### C. Nomination and Remuneration Committee:

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal.

During the year under review, Nomination and Remuneration Committee met 2 (two) time viz. on August 28, 2023 and March 22, 2024.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of Meetings During the Financial Year 2023-24	
			Eligible to attend	Eligible to attend
Mr. Hetalkumar Jayantilal Shah	Non-Executive Independent Director	Chairperson	2	2
Mr. Deepakkumar Kushalchandra Chaubisa	Non-Executive Independent Director	Member	2	2
Mr. Vipul Jatashanker Bhatt	Chairman and Managing Director	Member	2	2

### Nomination and Remuneration Policy:

Pursuant to Section 178(3) of the Act, the Company has framed a policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") which is available on the website of your Company at [https://www.vitalgroup.co.in/investor-pdf/Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.vitalgroup.co.in/investor-pdf/Nomination_and_Remuneration_Policy.pdf).

The Remuneration Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the NRC for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements. The Remuneration Policy is in consonance with existing industry practice. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy.

### PUBLIC DEPOSIT:

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of FY 2023-24 or the previous financial years. Your Company did not accept any deposit during the year under review.

### PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY:

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

### ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2024 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company and can be accessed using the <https://www.vitalgroup.co.in/investors.html>.

### TRANSACTIONS WITH RELATED PARTIES:

All the Related Party Transactions entered during the financial year were on an Arm's Length basis and in the Ordinary Course of Business. There are no materially significant Related Party Transactions, i.e exceeding rupees one thousand crore or 10% of the



annual consolidated turnover as per the last audited financial statement, whichever is lower or a transaction involving payments with respect to brand usage or royalty entered into individually or taken together with previous transactions during the financial year, exceeding ten percent of the annual consolidated turnover of the Company as per the last audited financial statements, made by the Company with Promoters, Directors, Key Managerial Personnel (KMP) and other related parties which may have a potential conflict with the interest of the Company at large, were entered during the year by your Company.

During FY 2023-24, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

Further, prior omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were placed before the Audit Committee and the Board of Directors for their review & approval.

The details of the related party transactions for the financial year 2023-24 is given in notes of the financial statements which is part of Annual Report.

The Policy on Related Party Transactions as approved by the Board of Directors is available on the website of the Company at [https://www.vitalgroup.co.in/investor-pdf/Related\\_Party\\_Transaction\\_Policy.pdf](https://www.vitalgroup.co.in/investor-pdf/Related_Party_Transaction_Policy.pdf).

#### **PARTICULARS OF EMPLOYEES:**

The ratio of the remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure-B.

#### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. Further, the company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Annual Report 2023-24

During the financial year 2023-24, the Company has received nil complaints on sexual harassment, out of which nil complaints have been disposed off and nil complaints remained pending as of March 31, 2024.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure-A** of this report.

#### **SECRETARIAL STANDARDS OF ICSI:**

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

#### **RISK MANAGEMENT:**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition.

The Internal Auditors of the Company carry out review of the internal control systems and procedures. The internal audit reports are reviewed by Audit Committee.

The Company has also put in place adequate internal financial controls with reference to the financial statements

commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

#### **CORPORATE GOVERNANCE:**

Integrity and transparency are key factors to our corporate governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

As our company has been listed on SME Platform of NSE Limited, by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) and (t) of sub regulation (2) of Regulation 46 and Para C D and E of Schedule V are not applicable to the company. Hence Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The requirement for CSR is applicable to your Company from financial year 2023-24. Pursuant to the provisions of Section 135(9) of the Companies Act, 2013, where the amount to be spent under Corporate Social Responsibility (CSR) by a company does not exceed fifty lakh rupees, the requirement under Section 135(1) for constitution of the Corporate Social Responsibility Committee is not applicable and the functions of such committee provided under Section 135 of the Act, are discharged by the Board of Directors of the Company. Accordingly, the function of CSR Committee is discharged by the Board under the provisions of Section 135(9) of the Act. Further, the Board has approved the Corporate Social Responsibility (CSR) Policy. CSR Policy is available on the website of the Company at [www.vitalgroup.co.in](http://www.vitalgroup.co.in) CSR Report is part of Annual report as **Annexure -E**.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In terms of Regulation 34, and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a review of the performance of the Company, for the year under review, Management Discussion and Analysis Report, is presented in a separate section forming part of this Annual Report as **Annexure -D**.

#### **STATUTORY AUDITOR AND THEIR REPORT:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, Abhishek Kumar & Associates, Chartered Accountant, (FRN: 130052W), were appointed as Statutory Auditor for a term of 5 years in the 1st Annual general meeting of the Members of the Company held on August 22, 2022.

The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

Statutory Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers. The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Notes to the financial statements referred in the Auditors' Report are self-explanatory.

#### **SECRETARIAL AUDITOR AND THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. SCS and Co. LLP, Practising Company Secretary, Ahmedabad to conduct the Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit Report is annexed herewith as **Annexure - F** to this Report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report except:-

Company has maintained internally Structured Digital Database in Digital Software: for FY 2023-24 with adequate internal controls and checks such as time stamping and audit trails to ensure non- tampering of the database. However, majority of the entries has been captured delayed by Company in software of SDD (Structured Digital Database).

Reply by Management: Delay was unintentional, to make all compliance within due date, UPSI sharing entries into software got delayed Management of Company will be more alert in making entries of UPSI Sharing into software the same day on which UPSI is shared to any Designated Persons. and Company will arrange sessions to update all the designated Persons with the provisions of the PIT Regulation.

**REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by Company's officers or employees, to the Audit Committee, as required under Section 143(12) of the Act.

**MAINTENANCE OF COST RECORD:**

Pursuant to the provisions of the Companies Act, 2013 and rules thereof, the Board of Directors of the Company, in their meeting held on May 29, 2024, on the recommendation of the Audit Committee, have appointed M/s. R J & Associates, Cost Accountants, Ahmedabad (Firm Registration No.: 004690) as the Cost Auditor of the Company to audit the cost records of the Company for the financial year 2024-25. Further, as per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified at the ensuing Annual General Meeting.

M/s. R J & Associates, have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that their appointment meets the requirements of Section 141(3)(g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company. Further, as per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified at the ensuing Annual General Meeting.

The Company has maintained cost accounts and records in accordance with provisions of Section 148 of the Companies Act, 2013 and rules thereof.

**INTERNAL AUDITOR**

The company appointed M/s. Ravi V. Patel & Co as Internal Auditor of the company to conduct the Internal Audit of the Company for the FY 2023-24.

**INFORMATION ON SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES:**

As on March 31, 2024, the Company has following subsidiaries:

Sr. No	Name	Category
1.	Vital Alkoxides Private limited	Subsidiary
2.	Vital Synthesis Limited	Subsidiary

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of the Company and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms part of this Integrated Annual Report as per **Annexure-C**.

**CODE FOR PREVENTION OF INSIDER TRADING:**

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code Covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at [https://www.vitalgroup.co.in/investor-pdf/Code\\_of\\_Conduct\\_for\\_PIT\\_from\\_01.04.20192.pdf](https://www.vitalgroup.co.in/investor-pdf/Code_of_Conduct_for_PIT_from_01.04.20192.pdf).

The employees are required to undergo a mandatory training/ certification on this Code to sensitize themselves and strengthen their awareness

**WEBSITE:**

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the Company has maintained a functional website namely " www.vitalgroup.co.in " containing basic information about the Company.

The website of the Company is containing information like Policies, Shareholding Pattern, Financial and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company etc.

**THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

During the Financial Year 2023-24, there was no application made and proceeding initiated /pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company. As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016.

**GENERAL DISCLOSURE:**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- (i) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- (ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- (iii) Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- (iv) There is no revision in the Board Report or Financial Statement;
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- (vi) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

**ACKNOWLEDGEMENT:**

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, concerned Government departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that your Company continues to grow and excel.

**Registered office:**

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

**CIN: L24299GJ2021PLC127538**

**Vipul Bhatt**

**Chairman and Managing Director**

**DIN: 06716658**

**Jay Bhatt**

**Whole Time Director**

**DIN: 09363173**

**Date: September 03, 2024**

**Place: Ahmedabad**

# ANNEXURE A

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### (Pursuant to Section 134(3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014)

#### A. Conservation of energy –

(i) **The steps taken or impact on conservation of energy:** The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy.

(ii) **The steps taken by the Company for utilizing alternate sources of energy:** The Company has not taken any step for utilizing alternate sources of energy.

(iii) **The capital investment on energy conservation equipment:** During the year under review, Company has not incurred any capital investment on energy conservation equipment.

#### B. Technology absorption –

(i) The effort made towards technology absorption: The Company has not imported any technology and hence there is nothing to be reported here.

(ii) The benefit derived like product improvement, cost reduction, product development or import substitution: None Annual Report 2023-24

(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: None

b. The year of import: None

c. Whether the technology has been fully absorbed: None

d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: None

#### C. The expenditure incurred on Research and Development: NIL

#### D. Foreign Exchange Earnings & Expenditure:

#### E.

Particulars	For the Period Ended on March 31, 2024
Foreign Exchange Earnings	
Sales	61.93
Receipts in Foreign Currency	114.20
FOB Value of Exports	
Foreign Exchange Outgoings	
Purchase	
Payments in Foreign Currency	5368.69
CIF Value of Imports	7793.15

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For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

CIN: L24299GJ2021PLC127538

Date: September 03, 2024

Place: Ahmedabad

**Vipul Bhatt**  
Chairman and Managing Director  
DIN: 06716658

**Jay Bhatt**  
Whole Time Director  
DIN: 09363173

# ANNEXURE B

## Particulars of Employees

**Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under.**

**3A.** Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) The ratio of remuneration of each director to the median remuneration of employees for the Financial Year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Name	Designation	Nature of Payment	Ratio against median employee's remuneration	Percentage Increase/ (Decrease)
Mr. Vipul Bhatt	Chairman & Managing Director	Remuneration	39.06:1	(50%)
Mrs. Sangeeta Vipul Bhatt	Whole time Director	Remuneration	27.90:1	(50%)
Mr. Jay Bhatt	Whole time Director	Remuneration	16.74:1	(50%)
Mr. Hetalkumar Jayantilal Shah	Independent Director	Sitting Fees	-	-
Mr. Deepakkumar Kushalchandra Chaubisa	Independent Director	Sitting Fees	-	-
Ms. Ketki Ajay Oza	CFO	Remuneration	5.24:1	11.83
Mr. Utsav Sudhir Trivedi*	Company Secretary & Compliance Officer	Remuneration	1.71:1	NA

\* Mr. Utsav Sudhir Trivedi Resigned w.e.f. February 28, 2024

**b) The percentage decreed in the median remuneration of employees in the financial year:**

Median remuneration of Employees decreased by 1.25 % in F.Y 2023-24 from F.Y. 2022-23

**c) The number of permanent employees on the rolls of the Company: 47 Employees**

**d) Average percentile increase/decrease 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 and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

During the year the average salary of the employees was increase by 9.63%, due to increase in salary payout during the financial year 2023-24 as compared to previous financial year.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

**e) Affirmation that the remuneration is as per the remuneration policy of the company**

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company is as per the Remuneration Policy of the Company

**f) During the financial year**, there was no employee employed throughout the financial year or part of the financial year who was in receipt of remuneration in the aggregate of not less than Rs. 8.50 Lacs per month or Rs. 1.02 Crore per financial year

### Registered office:

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

**CIN: L24299GJ2021PLC127538**

**Date: September 03, 2024**

**Place: Ahmedabad**

**Vipul Bhatt**  
**Chairman and Managing Director**  
**DIN: 06716658**

**Jay Bhatt**  
**Whole Time Director**  
**DIN: 09363173**



# ANNEXURE C

## FORM AOC-1

**(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries**

### Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. lakhs)

SR. NO.	Particulars	Details of Subsidiary as on 31-03-2024	
		1	2
1.	Sl. No.	1	2
2.	Name of the subsidiary	Vital Synthesis Limited	Vital Alkoxides Private Limited
3.	The date since when subsidiary was acquired	26/04/2022	31/03/2023
4.	Reporting Period for the subsidiary concerned, if different from the holding Company's reporting period.	01-04-2023 to 31-03-2024	01-04-2023 to 31-03-2024
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
6.	Share Capital	15	15
7.	Reserve and surplus	0.05	-177.5
8.	Total Assets	1565.73	2637.56
9.	Total Liabilities	1550.68	2740.06
10.	Non Current Investments	-	-
11.	Turnover	8.55	163.8
12.	Profit before taxation	0.05	-177.5
13.	Provision for taxation	0	0
14.	Profit after taxation	0.05	-177.5
15.	Proposed Dividend	0	0
16.	Extent of shareholding (in percentage)	99.00%	70.00%

### Registered office:

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

### VITAL CHEMTECH LIMITED

CIN: L24299GJ2021PLC127538

### Vipul Bhatt

Chairman and Managing Director

DIN:06716658

### Jay Bhatt

Whole Time Director

DIN:09363173

Date: September 03, 2024

Place: Ahmedabad

# ANNEXURE D

## Management Discussion and Analysis Report

The Management's views on the Company's Performance and outlook are discussed below:

### GLOBAL ECONOMY:

Global economic growth is anticipated to reach 3.1 percent in 2024 and 3.2 percent in 2025. The forecast for 2024 exceeds the October 2023 World Economic Outlook (WEO) by 0.2 percentage points due to stronger-than-anticipated resilience observed in the United States and several prominent emerging market and developing economies, alongside fiscal measures implemented in China. Nevertheless, the projected growth rates for 2024-2025 falls short of the 3.8 percent historical average recorded during 2000-2019. This divergence is attributed to heightened central bank policy rates aimed at combating inflation, reduction in fiscal support amidst elevated debt levels that impose constraints on economic activity, and sluggish underlying productivity gains. Notably, inflation rates are declining more swiftly than earlier projections across most regions, driven by the resolution of supply-side disruptions and the implementation of restrictive monetary policies. Global headline inflation is expected to decrease to 5.8 percent in 2024 and further to 4.4 percent in 2025, with downward revisions made to the 2025 forecast.

### INDIAN ECONOMY:

India has maintained a strong economic performance despite global challenges and geopolitical concerns. This resilience can be attributed to robust domestic demand, a pickup in rural demand, strong investment levels, and sustained momentum in manufacturing. Despite global challenges, India stands out for its robust economic growth, demonstrating broad-based expansion across various sectors and reaffirming its pivotal role in supporting global economic growth.

The combined efforts of the government and the Reserve Bank of India (RBI) to tackle inflation through strategic policy rate adjustments, bolstering food reserves, and facilitating easier imports have successfully managed inflationary pressures. As a result, retail inflation in the fiscal year 2023-24 saw a notable decrease, reaching its lowest point since the onset of the Covid-19 pandemic. Core inflation specifically declined to 3.3% by March 2024. Moreover, the forecast of an above-normal monsoon in 2024 augurs well for agricultural productivity, which is expected to further alleviate concerns regarding inflation.

The backdrop of slowing global trade poses challenges for economies globally. However, India is poised to reduce its trade deficit in the upcoming years, supported by the expanded coverage of the Production Linked Incentive (PLI) scheme across multiple sectors. Strong export performance and robust remittance inflows are anticipated to contribute significantly. International agencies and the Reserve Bank of India (RBI) forecast that the Current Account Deficit (CAD) as a percentage of GDP will likely have moderated to below 1% in the fiscal year 2023-24.

India remains the fastest-growing major economy, with international organizations and the Reserve Bank of India (RBI) providing positive assessments of its growth outlook for the current financial year.

### GLOBAL CHEMICAL MARKET:

Global chemical growth moderated in 2022 due to lockdowns in China, supply chain bottlenecks, and disruptions caused by the Russian invasion of Ukraine. As a result, global chemical output grew by only 2.0% in 2022. In 2023, production is expected to expand at 2.9% amid rebound in Western Europe and the Asia-Pacific. The industry is focussing on meeting the growing global demand and enhancing sustainability through carbon reduction projects and advanced recycling and recovery. The biggest risk to the outlook is persistent inflation and continued increase in interest rates that could prolong and deepen the downturn, but other risks may include escalation of wars, financial instability, and supply chain disruptions.

The US chemical industry had a strong start in 2022, with output growing by 3.9%. However, in 2023, this growth is expected to marginally decline due to deceleration in end-use markets, a stronger dollar, and lower global growth. Many manufacturers have increased inventories of raw materials and products due to supply chain issues, which resulted in higher-than-normal inventories at the end of the year. US chemicals remain advantaged due to abundant domestic production of natural gas. Capital spending grew 9.0% to US\$ 33.5 billion in 2022 and is expected grow at 3.6% in 2023.

After declining by 3.2% in 2022, chemical production in Western Europe is expected to marginally grow at 0.8% in 2023. This is mainly due to an uncertain energy price outlook and depressed economic growth outlook. However, the silver lining is that natural gas prices have dropped to their pre-war levels and are expected to remain below the 2022 levels.

China's chemical industry is expected to recover after the lifting of COVID-19 restrictions. Sectors such as pharmaceuticals and agricultural chemicals are expected to lead the growth.

**INDIAN CHEMICAL INDUSTRY:**

India's chemical sector is a vital contributor to the nation's economy, significantly bolstering its GDP and ranking among the fastest-growing industries. As of 2022, the chemical industry accounts for a substantial 7% of India's GDP, positioning the country as the sixth-largest chemical producer globally and third-largest in Asia. India is home to numerous niche specialty chemical firms that are world leaders in their respective domains. Over the past decade, India's chemical industry has consistently outpaced global averages in terms of demand growth and shareholder value creation. With its rapid economic expansion, growing middle class, and competitive capital and operational costs, India is poised to emerge as a key player in the global chemical sector, both as a consumer and producer. However, challenges persist, including limited access to domestic raw materials, regulatory delays, and a shortage of skilled R&D professionals, which hinder the industry's full potential.

The Indian Chemicals & Petrochemicals sector is a significant contributor to the economy, with a market size of approximately \$220 billion, projected to reach \$300 billion by 2030. The sector's export performance has been impressive, with chemicals and chemical products (excluding pharmaceuticals and fertilizers) accounting for 11.7% of total exports in 2021-22, and 10.8% in 2022-23 (up to September 2022). The sector has demonstrated a compound annual growth rate (CAGR) of 13.86% in exports from 2017-18 to 2021-22, outpacing the national export CAGR of 12.62%.

In terms of production, the Index of Industrial Production for Chemical & Chemical products reached a record high of 137.2 in July 2022, up from a low of 109.1 in May 2021. However, the production of major chemicals decreased to 53.54 lakh tonnes in 2023-24 (up to August 2023), compared to 54.32 lakh tonnes in the corresponding period of the previous year.

On a positive note, production of organic chemicals and major petrochemicals has increased by 4.52% and 6.08%, respectively, in 2023-24 (up to August 2023) compared to the previous year. Additionally, production of certain petrochemicals, such as synthetic detergent intermediates, stood at 34.07 lakh tonnes in 2023-24 (up to August 2023).

Overall, the sector has shown resilience and growth, with opportunities for further expansion and development.

**Opportunities: –**

- India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas.
- With global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth.
- The Dahej PCPIR project in Bharuch, has attracted an investment of Rs. 1 lakh crore (~US\$ 12 billion) and is expected to generate 32,000 jobs.
- The specialty chemical sector in India offers local manufacturers a chance to enrich and diversify their product range. Incorporating specialty chemicals such as polymer additives, lubricant additives, and water treatment chemicals can enable manufacturers to meet the rising demand for value-added products.
- Expanding into the fine and specialty chemicals sector presents a lucrative growth avenue for India's chemical companies. This niche offers a sweet spot where firms can leverage their technical prowess and innovative capabilities to drive cost-effective solutions, unhindered by constraints such as substantial capital expenditures, limited access to hydrocarbons, or high energy costs. By venturing into this sector, Indian chemical firms can unlock new opportunities for expansion and diversification, while capitalizing on their existing strengths to drive growth and competitiveness.
- As manufacturers increasingly adopt a multi-country operational model, Indian specialty chemical companies poised for global expansion can capitalize on this strategic shift. By transitioning from a single-country manufacturing approach to a diversified, multi-country framework, businesses can cultivate a more robust and agile supply chain. This approach not only mitigates risks associated with reliance on a single market or region but also unlocks opportunities for enhanced efficiency, reduced costs, and improved competitiveness on the global stage. By embracing this model, Indian specialty chemical companies can fortify their position in the international market and drive sustainable growth.

**Challenges:**

- The intricate assets and equipment found in chemical plants pose inherent risks to employee safety, making rigorous compliance and meticulous maintenance essential. Ensuring adherence to stringent regulatory standards and implementing proactive maintenance protocols are crucial to mitigating hazards, preventing accidents, and safeguarding the well-being of personnel. By prioritizing these critical aspects, chemical plants can minimize risks, optimize operational efficiency, and foster a culture of safety and responsibility.
- The chemical industry, while a vital sector, has a significant environmental footprint, generating hazardous substances and waste products that pose substantial risks to ecological balance and human well-being. The release of toxic chemicals and pollutants can contaminate air, water, and soil, causing irreparable harm to ecosystems and human health. As such, it is imperative for the industry to adopt sustainable practices, invest in eco-friendly technologies, and implement stringent waste management protocols to minimize its environmental impact and ensure a healthier planet for future generations.
- Implementing rigorous quality control procedures is essential to guarantee the safety, efficacy, and excellence of products throughout the entire manufacturing process. These procedures ensure that every stage, from raw material selection to final product testing, meets stringent standards, thereby preventing defects, minimizing risks, and consistently delivering high-quality products that meet customer expectations and regulatory requirements. By integrating quality control measures, manufacturers can maintain the highest levels of product integrity, reliability, and performance.

## BUSINESS OUTLOOK

Your company is on the cusp of a significant growth phase, fueled by rising demand from diverse sectors, technological innovations, and supportive government policies. Although challenges persist, including raw material availability, infrastructure constraints, and skill gaps, the industry's emphasis on innovation, collaboration, and product diversification presents a compelling narrative for its emergence as a major global player. By proactively addressing these challenges and capitalizing on opportunities, the Indian specialty chemical industry can sustain its upward growth trajectory, making substantial contributions to the nation's economic prosperity and cementing its position on the global stage.

In today's turbulent and ever-evolving business environment, it is essential for an organisation to emphasize on managing enterprise-wide risks effectively to achieve its strategic business objectives. VCTL has developed a robust Enterprise Risk Management (ERM) Framework based on the fundamental elements of global risk management standards such as ISO 31000 and COSO. The framework emphasises a coordinated and an integrated approach to manage enterprise-wide risks and opportunities across VCTL, which is essential to establish a culture of proactive, independent, and systematic risk management. VCTL has defined clear roles and responsibilities, principles, consistent templates, enablers and training measures for effective and uniform implementation of ERM framework across the organisation. The goal of the ERM Framework is to strengthen VCTL's commitment to effectively manage both existing and emerging risks while capitalising on opportunities to achieve our strategic objectives and safeguard stakeholder's value. To facilitate risk-informed decision-making, VCTL has defined a vigorous risk governance mechanism leveraging our fully integrated ERM Framework.

Your company remains steadfast in its commitment to delivering long-term value, driven by its world-class manufacturing capabilities, continuous process improvements, robust R&D initiatives, and unwavering dedication to innovation. The company is strategically investing in R&D to develop products tailored to emerging sectors, with a growing emphasis on sustainable and green solutions, battery chemicals, electronics chemicals, advanced materials, and high-performance polymers. With a promising roadmap in place, Aarti Industries Limited is well-positioned to capitalize on the opportunities arising from the rapid evolution of global chemical supply chains. By leveraging R&D-led product offerings and incremental gains from existing value chains, the company is poised to harness favorable industry trends, creating a compelling long-term value proposition for all stakeholders.

## Risk and Concerns

The Company adopts a proactive and comprehensive approach to risk management, identifying, assessing, and mitigating potential risks through the implementation of tailored measures. To ensure the effectiveness of its risk management framework, the Company continuously develops and refines its Risk Management Policy, which is regularly presented to the Board for approval. The Risk Management Committee plays a crucial role in:

- Ensuring the establishment and maintenance of robust methodologies, processes, and systems to monitor and evaluate business-related risks
  - Overseeing the implementation of the risk management policy, including assessing the adequacy of risk management systems
  - Periodically reviewing and updating the risk management policy to address emerging risks and trends
- Annual Report 2023-24
- Keeping the Board of Directors informed about the Committee's discussions, recommendations, and actions taken to address identified risks

Through this structured approach, the Company demonstrates its commitment to effective risk management, ensuring the protection of its assets, reputation, and long-term sustainability.

## PRODUCTS

Our company is engaged in manufacturing of Phosphorus based products. We manufacture the products for our customers on purchase order basis.

Following are the products manufactured by our company:

Phosphorus Trichloride (PCl<sub>3</sub>)

Phosphorus Pentachloride (PCl<sub>5</sub>)

Poly Phosphoric Acid (PPA)

Phosphorus Oxychloride (POCl<sub>3</sub>)

Phosphorus Pentoxide (P<sub>2</sub>O<sub>5</sub>)

Phosphorus Pentasulfide (P<sub>2</sub>S<sub>5</sub>)

### 1. Phosphorus Trichloride (PCl<sub>3</sub>)

Phosphorus Trichloride is colorless or slightly yellow fuming liquid with a pungent and irritating odor resembling that of hydrochloric acid. It is used during electrodeposition of metal on rubber and for making pesticides, surfactants, gasoline

additives, plasticizers, dyestuffs, textile finishing agents, germicides, medicinal products, and other chemicals.

### 2. Phosphorus Oxychloride (POCl<sub>3</sub>)

Phosphorus Oxychloride is a colorless fuming liquid with a pungent odor. It is toxic by inhalation and corrosive to metals and tissue. It is used in gasoline additives and hydraulic fluids.

### 3. Phosphorus Pentachloride (Pcl<sub>5</sub>)

Phosphorus Pentachloride is a greenish-yellow crystalline solid with an irritating odor. It is decomposed by water to form hydrochloric acid and phosphoric acid and heat. This heat may be sufficient to ignite surrounding combustible material. It is corrosive to metals and tissue. It is used to manufacture other chemicals, in aluminum metallurgy, and in the pharmaceutical industry.

### 4. Phosphorus Pentoxide (P<sub>2</sub>O<sub>5</sub>)

Phosphoric anhydride appears as a white amorphous powder. Corrosive to metals and tissue and moderately toxic. The usage of phosphorus pentoxide varies significantly in the chemical industry due to its applications as laboratory reagent, starting or reagent material in synthesis processes, and in heat-insulating glass production.

### 5. Poly Phosphoric Acid (PPA)

Polyphosphoric acid is a hygroscopic, clear and viscous liquid. It has been synthesized by reacting phosphoric acid with phosphorus (V) oxide. It is a moderately strong mineral acid with a wide range of applications. Polyphosphoric acid can be used in the manufacture of special supported catalysts, e. g. for use in the production of cumene from benzene. Polyphosphoric acid can be used in the descaling and brightening of metal surfaces. Polyphosphoric acid is suitable for the drying of gas streams.

### 6. Phosphorus Pentasulfide (P<sub>2</sub>S<sub>5</sub>)

Phosphorus pentasulfide is the inorganic compound with the formula P<sub>2</sub>S<sub>5</sub>. It is generally yellow solid in nature. It is used in the production of safety matches, lube oil additives, and pesticides.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Control system and adequacy Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. Thus, internal control is an integral component of risk management. The Internal control checks and internal audit programmes adopted by our Company plays an important role in the risk management feedback loop, in which the information generated in the internal control process is reported back to the Board and Management. The internal control systems are modified continuously to meet the dynamic change. Further the Audit Committee of the Board of Directors reviews the internal audit reports and the adequacy and effectiveness of internal controls.

#### FINANCIAL HIGHLIGHTS:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23
Revenue From Operations	11674.33	5761.46	11674.33	5761.46
Other Income	14.20	25.51	14.20	25.51
<b>Total Income</b>	<b>11688.53</b>	<b>5786.97</b>	<b>11688.53</b>	<b>5786.97</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	10195.95	4609.13	10195.95	4609.13
<b>Profit / (Loss) before Depreciation, Finance Cost and Tax</b>	<b>1492.58</b>	<b>1177.84</b>	<b>1492.58</b>	<b>1177.84</b>
Less: Depreciation	231.75	69.61	231.75	69.61
Less: Finance Cost	112.37	48.41	112.37	48.41
<b>Profit / (Loss) Before Tax</b>	<b>1148.46</b>	<b>1059.82</b>	<b>1148.46</b>	<b>1059.82</b>
Less: Current Tax	300.00	270	300.00	270
Less: Deferred tax Liability (Asset)	43.33	0	43.33	0
<b>Profit / (Loss) after Tax</b>	<b>805.14</b>	<b>789.82</b>	<b>805.14</b>	<b>789.82</b>



**HUMAN RESOURCES:**

Equipping the Company with an engaged and productive workforce is essential to our success. We look for commitment, skills and innovative approach in people. In assessing capability, we consider technical skills and knowledge that have been acquired through experience and practice, along with mental processing ability, social process skills and their application.

We continue to invest in developing a pipeline of future talent and nurture them. As part of this process, we provide development and training opportunities to our workforce, which motivates and encourages them to grow in their work.

As on March 31, 2023, the Company had 70 permanent employees. The Company has been maintaining cordial and healthy Industrial Relations, which has helped to a great extent in achieving the upper growth.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:**

Ratio	As at 31st March, 2024	As at 31st March, 2023	% CHANGE FROM LAST YEAR	Explanation for Change in Ratio (for more than 25% in comparison with last year)
Current Ratio	1.91	4.54	-58%	Reason for movement is due to Increase in Trade Payable and a significant decrease in Cash and Cash equivalent
Debt-Equity Ratio	0.14	0.27	-46%	Reason for movement is due to repayment of debt
Debt Service Coverage Ratio	3.29	14.96	-78%	Due to an decrease in earnings available for debt service in Fiscal Year 2024 compared to Fiscal Year 2023.
Return on Equity Ratio	4.49%	15.5%	-71%	Return on Equity has been decreased due to significant decrease in profit for Fiscal 2024 as compared to profit earned in Fiscal 2023
Inventory turnover ratio (in times)	5.88	7.61	-23%	Reason for Movements is not Required since Movement is not more than 25%
Trade Receivables turnover ratio (in times)	2.49	2.92	-15%	Reason for Movements is not Required since Movement is not more than 25%
Trade payables turnover ratio (in times)	4.20	4.43	-5%	Reason for Movements is not Required since Movement is not more than 25%
Net capital turnover ratio (in times)	0.98	2.12	-54%	The variation is due to decrease in revenue from operations for the year 2024.
Net profit ratio	3.96%	6.9%	-43%	Due to decreased in profitability & Decrease in revenue in Fiscal 2024 compared to Fiscal 2023.
Return on Capital employed	5.05%	22%	-77%	Return on Capital Employed is decreased significantly because sales is decreased & the profitability is also significantly decreased
Return on investment.	3.87%	15%	-74%	Due to decrease in profitability & decrease in sales this ratio has been significantly decreased on year on year basis.

**CAUTIONARY NOTE:**

Statements in this Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the Company's operations are affected by many external and internal factors, which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.



**Registered office:**

B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

**CIN:** L24299GJ2021PLC127538

**Vipul Bhatt**

**Chairman and Managing Director**

**DIN:** 06716658

**Jay Bhatt**

**Whole Time Director**

**DIN:** 09363173

**Date:** September 03, 2024

**Place:** Ahmedabad

# ANNEXURE E

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to clause (o) of Sub-Section 3 of Section 134 of the Act, Section 135 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

### 1. A Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programmes:

Longevity and success for a company comes from living in harmony with the context, which is the community and society. CSR is essentially a way of conducting business responsibly and the company shall endeavor to conduct its business operations and activities in a socially responsible and sustainable manner at all times. The main objective of CSR Policy of the Company encompasses the ideas of corporate governance, sustainable wealth creation, corporate philanthropy and advocacy for the goals of the community. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013. Our CSR initiatives focus on CSR projects as provided under Schedule VII. The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website

### 2. The Composition of CSR Committee:

According to Section 135(9) of the Companies Act, 2013, if a company's expenditure under sub-section (5) is less than fifty lakh rupees or it does not have any funds in its Unspent Corporate Social Responsibility Account as per sub-section (6) of section 135, then the obligation to form a Corporate Social Responsibility Committee under sub-section (1) does not apply. In conformity with the said provision, the functions of CSR under this section is being discharged by the Board of Directors of such company and company had not constituted Corporate Social Responsibility Committee.

**3. Web Link of the Website** of the Company for Composition of CSR Committee, CSR Policy and CSR Projects Approved By the Board. - <https://www.vitalgroup.co.in/>.

**4. Details of Impact Assessment** of CSR Projects Carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, If Applicable.

Not Applicable for the financial year under review.

**5. Details of the Amount Available** for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 And Amount Required for set-off for the financial year, if any- NIL

**6. Average net profit** of the Company for last three financial years: Rs. 11,04,14,090

**7. Prescribed CSR Expenditure (two percent of the amount as in item 6 above):** Rs. 22,08,281.80

a) Two percent of average net profit of the company as per section 135(5): Rs. 22,08,281.80

b) Surplus arising out of CSR projects/ programmes/ activities of the previous financial years: NIL

c) Amount required to be set off for the financial year: NIL

d) Amount unspent, if any: Nil

e) Total CSR obligation for the financial year (7a+7b-7c): Rs. 22,08,281.80

**8. CSR amount spent or unspent for the financial year:**

a) Total Amount Spent for the Financial Year (in Rs): Rs. 22,10,000

b) Amount Unspent (in Rs): Nil

**9. Details of CSR amount spent against ongoing projects for the financial year:** NIL

**10. Details of CSR amount spent against other than ongoing projects for the financial year:**

Name of the Project	Item from the list of activities in Schedule VII	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Yes/No)	
			State	District			Name	CSR Registration Number
Distributing Food packets/Grains to needy people, Rural Developments, Education, Women Empowerment, Medical activities & Environment protection activities	Eradicating hunger, poverty and malnutrition, & promoting health care including preventive health care	Yes	Gujarat	Ahmedabad	22,10,000	Yes	Arya Foundation	CSR00032202

**11. Details of CSR amount Unspent against other than ongoing projects for the financial year:**

Total Amount Unspent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)	
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
NIL					

**12. Amount spent in administrative overheads:** NIL

**13. Amount spent on impact assessment, if applicable:** Not applicable

**14. Total amount spent for the financial year:** Rs. 22,10,000

**15. Details of excess amount for set-off are as follows:** 1718.20

**16. (a) Details of unspent CSR amount for the preceding three financial years:** NA

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** NIL

**17. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:**

No capital asset was created / acquired for FY 2023-24 through CSR spent.

**18. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):**

Not applicable

**Registered office:**

B-406, Mondeal Heights, Opp. Karnavati Club, S.G. Highway, Ahmedabad 380015

For and on behalf of Board of Directors

**VITAL CHEMTECH LIMITED**

**CIN: L24299GJ2021PLC127538**

**Vipul Bhatt**

**Chairman and Managing Director**

**DIN: 06716658**

**Jay Bhatt**

**Whole Time Director**

**DIN: 09363173**

**Date: September 03, 2024**

**Place: Ahmedabad**

# ANNEXURE F

## SECRETARIAL AUDIT REPORT

**Form No. MR-3 , For the Financial Year Ended March 31, 2024**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies**

**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Vital Chemtech Limited**  
B-406, Mondeal Heights, Opp. Karnavati Club,  
S. G. Highway, Ahmedabad-380015, Gujarat

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vital Chemtech Limited**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 March 31, 2024, generally 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 March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and circulars/guidelines/Amendments issued there under;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/guidelines/Amendments issued there under;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars/guidelines/Amendments issued there under;
  - d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

We further report that the company being engaged in the Business of Manufacturing of Industrial Chemicals, We have relied on the representation made by the Company and its officers for system and as Confirmed by the management.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company:

1. Chemical Weapons Convention Act, 2000
2. The Poison Act, 1919
3. The Petroleum Act, 1934

We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said laws.

During the year under the report, the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time issued for compliances, have been complied by the Company except:-

Company has maintained internally Structured Digital Database in Digital Software: for FY 2023-24 with adequate internal controls and checks such as time stamping and audit trails to ensure non- tampering of the database.

However, majority of the entries has been captured delayed by Company in software of SDD (Structured Digital Database).

Further, One ROC forms have been filed with late additional fees by the company during the financial year 2023-24.

**During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, Standards, are not applicable to the Company:**

i. 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; - the Company is not registered as Registrar to an Issue & Share Transfer Agent.

**However, the Company has appointed Skyline Financial Services Private Limited as Registrar & Share Transfer Agent as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and circulars/guidelines/Amendments issued there under; and

iv. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

v. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings.

**We further report that -**

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

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

Since none of the members have communicated dissenting views in the matters / agenda proposed from time to time for consideration of the Board and Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

**We further report that -**

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that during the period under review –**

1. The Articles of Association of the Company was altered authorized via Special Resolution passed in the 2nd Annual General Meeting of our Company held on Wednesday, September 27, 2023.

2. The Company declared final dividend on equity shares at the rate of 5% [i.e. 0.50/- (Rupees Fifty paise only) per Equity Share of Face Value of Rs 10/- (Rupees ten only)] for the financial year ended March 31, 2023 in the 2nd Annual General Meeting of our Company held on Wednesday, September 27, 2023.

**For, SCS and Co. LLP**  
**Company Secretaries**  
**Firm Registration Number: L2020GJ008700**  
**Peer Review Number: 5333/2023**

**SD/-**  
**Anjali Sangtani**  
**Partner**  
**M. No.: A41942, COP: 23630**  
**UDIN: A041942F001126971**

**Date: September 04, 2024**  
**Place: Ahmedabad**

*Note: This Report is to be read with my letter of above date which is annexed as Annexure F1 an integral part of this report.*



# ANNEXURE F1

To,  
The Members,  
**Vital Chemtech Limited**  
B-406, Mondeal Heights, Opp. Karnavati Club,  
S.G. Highway-380015 Ahmedabad, Gujarat

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided to me, on test basis, to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, SCS and Co. LLP**  
**Company Secretaries**  
**Firm Registration Number: L2020GJ008700**  
**Peer Review Number: 5333/2023**

**SD/-**  
**Anjali Sangtani**  
**Partner**  
**M. No.: A41942, COP: 23630**  
**UDIN: A041942F001126971**

**Date: September 04, 2024**  
**Place: Ahmedabad**

# STANDALONE FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VITAL CHEMTECH LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of “**VITAL CHEMTECH LIMITED**” (the Company) having **CIN: L24299GJ2021PLC127538**, which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the Financial Statements of the current period. This matter was addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on this matter. We have nothing to report in this regard.

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

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the operational highlights, Directors' Report and its annexure, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's information and performance trend, but does not include the consolidated Financial Statements, standalone Financial Statements, and our Auditor's Report thereon. These reports are expected to be made available to us after the date of auditor's report.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of use of the going concern basis of accounting by the Management and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Financial Statements.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 must not be communicated in our report because the adverse consequences of doing so will reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, 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 and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statements.

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

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

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

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

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

3) The Company is not liable to transfer any amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.

4)

i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in

the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii) 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;

iii) 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.

5) The Board of Directors of the Company have proposed final dividend of Rs. 0.5 per share for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

6) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during our audit we did not come across any instance of the audit trail feature being tampered with.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2024.

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

**For, ABHISHEK KUMAR & ASSOCIATES**

Chartered Accountants  
Firm's Registration No. 130052W

**CA Abhishek Agrawal**

**Proprietor**

Membership No. 132305  
UDIN: 24132305BKEYWZ4992  
Place: Ahmedabad  
Date: 29th May, 2024

## Annexure- A To Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of Vital Chemtech Limited of even date)

### Report on the Internal Financial Controls with reference to Standalone Financials Statements 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 **VITAL CHEMTECH LIMITED** (the Company) as of March 31, 2024, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Control

The Management of the Company is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements 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 (the Guidance Note) issued by the Institute of Chartered Accountants of India (THE "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls of the Company with reference to standalone financial statements over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements over financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements 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 judgement, including the assessment of the risks of material misstatement of 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 internal financial controls with reference to standalone financial statements over financial reporting of the Company.

#### Meaning of Internal Financial Controls over Financial Reporting

The internal financial control over financial reporting of a company 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 the Generally Accepted Accounting Principles. Internal financial control with reference to standalone financial statements over financial reporting of a Company 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 the Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
- iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that can have a material effect on the Financial Statements.



**Inherent Limitations of Internal Financial Control over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management 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 with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

**For, ABHISHEK KUMAR & ASSOCIATES**

Chartered Accountants  
Firm's Registration No. 130052W

**CA Abhishek Agrawal  
Proprietor**

Membership No. 132305  
UDIN: 24132305BKEYWZ4992  
Place: Ahmedabad  
Date: 29th May, 2024

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vital Chemtech Limited of even date)

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

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

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

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

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

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

II. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except goods-in-transit. The coverage and procedure adopted by the Management is appropriate according to the size and scale of the Company. No discrepancies of 10% or more were observed in any class of inventories.

(b) The Company has been sanctioned working capital limit classified as fund based and non-fund based in excess of 5 crore, in aggregate, during the year, from banks or financial institutions and the quarterly statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

III. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has provided loans during the year, and details of which are given below:

Particulars	Amount in Lakh
Aggregate amount granted during the year	
- Subsidiaries	2092.52
Balance outstanding as at balance sheet date in respect of above cases:	1412.23
- Subsidiaries	

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted

to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

IV. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

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

VI. According to the information and explanation given to us and have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained."

VII. In respect of statutory dues:

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

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

(b) There are no disputed amounts in respect of statutory dues referred to in sub-clause (a) above and therefore reporting under sub-clause (b) is not applicable.

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

IX. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have loans or borrowings from banks and promoters, directors/related party during the year. Accordingly, clause 3(ix)(a) of the Order is applicable. The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender. The Company has taken loans from banks and promoters, directors/related party other than subsidiaries including long-term and short-term and outstanding amount of such loans at the end of financial year are as below:

Particulars	Amount in Lakh
From Banks	921.33
From Promoters, Directors/Related Party	375.20

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is applicable. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) 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 as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

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

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

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

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

(c) The Company has not received any whistle-blower complaints during the year.

XII. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

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

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

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

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

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

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

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

XVIII. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of Order is not applicable.

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

XX. (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than on-going projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no amounts remaining unspent under section (5) of section 135 of Companies Act, pursuant to any on-going project has been transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act.

**For, ABHISHEK KUMAR & ASSOCIATES**

Chartered Accountants  
Firm's Registration No. 130052W

**CA Abhishek Agrawal**

Proprietor  
Membership No. 132305  
UDIN: 24132305BKEYWZ4992  
Place: Ahmedabad  
Date: 29th May, 2024

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**  
**Balance Sheet as at 31 March 2024**

(Amount in Lakhs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	2,395.11	2,395.11
(b) Reserves and surplus	2	6,571.71	6,565.87
		8,966.82	8,960.98
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	597.28	2,064.34
(b) Deferred tax liability (Net)		15.70	43.33
		612.98	2,107.67
<b>3 Current liabilities</b>			
(a) Short term borrowing	4	699.25	330.30
<b>(b) Trade payables</b>	5		
(i) Total outstanding dues of micro enterprises and small enterprises		103.21	42.70
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,090.26	1,284.98
(c) Short-term provisions	6	128.08	307.40
(d) Other Current Liabilities	7	44.56	21.81
		3,065.37	1,987.20
<b>Total</b>		<b>12,645.17</b>	<b>13,055.85</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment - Tangible Assets	8	1,934.80	1,915.78
(b) Non-Current Investments	9	3,394.10	1,525.85
(c) Long Term Loans and Advances	10	1,412.24	130.00
(d) Other Non Current Assets	11	63.02	462.19
		6,804.16	4,033.82
<b>2 Current assets</b>			
(a) Inventories	12	1,213.88	1,346.63
(b) Trade receivables	13	4,360.47	3,824.47
(c) Cash and cash equivalents	14	40.18	2,925.88
(d) Short-term loans and advances	15	94.24	891.97
(e) Other Current Assets	16	132.25	33.08
		5,841.01	9,022.03
<b>Total</b>		<b>12,645.17</b>	<b>13,055.85</b>



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**Significant Accounting Policies & Notes on Financial Statements**

As per our Report of Even Date attached

**For, Abhishek Kumar & Associates**

Chartered Accountants

FRN: 130052W

**CA ABHISHEK AGARWAL**

**Proprietor**

Membership No. 132305

**Date : May 29, 2024**

**Place : Ahmedabad**

**For & on behalf of Board of Directors  
Vital Chemtech Limited**

**VIPUL BHATT**

CHAIRMAN & MANAGING DIRECTOR

DIN: 06716658

**JAY BHATT**

WHOLE TIME DIRECTOR

DIN: 09363173

**KETKI AJAY OZA**

CFO

**CHINMAY TIKENDRAKUMAR CHOKSHI**

COMPANY SECRETARY

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**  
**Statement of Profit and Loss for the year ended 31st March,2024**

(Amount in Lakhs)

Particulars	Note No.	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Revenue from operations	17	10,173.26	11,674.33
Other income	18	330.91	14.19
<b>Total Revenue</b>		10,504.17	11,688.53
Expenses:			
Cost of materials consumed	19	7,386.32	8,596.42
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	141.33	-26.26
Finance costs	21	113.77	112.37
Employee benefits expense	22	339.18	261.85
Depreciation and amortization expense	8	217.55	231.74
Other expenses	23	1,814.81	1,363.94
<b>Total expenses</b>		10,012.95	10,540.06
<b>Profit/ (Loss) Before Tax</b>		<b>491.21</b>	<b>1,148.46</b>
Tax expense:			
(1) Current tax		116.49	300.00
(2) Deferred tax		-27.63	43.33
(3) Tax for earlier years		-	-
<b>Profit/ (Loss) After Tax</b>		<b>402.36</b>	<b>805.13</b>
Earnings per equity share:			
Basic and Diluted		1.68	4.50
		1.68	4.50

**Significant Accounting Policies & Notes on Financial Statements**

As per our Report of Even Date attached

**For, Abhishek Kumar & Associates**

Chartered Accountants

FRN: 130052W

**CA ABHISHEK AGARWAL****Proprietor**

Membership No. 132305

**Date : May 29, 2024****Place : Ahmedabad****For & on behalf of Board of Directors  
Vital Chemtech Limited****VIPUL BHATT**

CHAIRMAN &amp; MANAGING DIRECTOR

DIN: 06716658

**JAY BHATT**

WHOLE TIME DIRECTOR

DIN: 09363173

**KETKI AJAY OZA**

CFO

**CHINMAY TIKENDRAKUMAR CHOKSHI**

COMPANY SECRETARY

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**  
**Cash Flow Statement for the year ended 31st March, 2024**

(Amount in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	491.21	1,148.46
Adjustments for:	-	-
Depreciation	217.55	231.74
Finance Cost	113.77	112.37
Investment income	-195.89	-72.83
Operating profit before working capital changes	<b>626.64</b>	<b>1,419.74</b>
Movements in working capital :		
(Increase)/Decrease in Reserves	-	-
(Increase)/Decrease in Inventories	132.75	-441.17
(Increase)/Decrease in Trade Receivables	-536.00	348.54
(Increase)/Decrease in Loans & Advances	797.73	-657.08
(Increase)/Decrease in Other Current Assets	-99.18	-32.20
Increase/(Decrease) in Trade Payables	865.79	-1,413.86
Increase/(Decrease) in Other Current Liabilities	22.75	9.22
Increase/(Decrease) in Long Term Provisions	-	-
Increase/(Decrease) in Short Term Provisions	-179.32	30.79
Cash generated from operations	1,631.17	-736.01
Adjustment on Account of Income Tax Expense	-84.67	-300.00
<b>Net cash from operating activities (A)</b>	<b>1,546.51</b>	<b>-1,036.01</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/(Purchase) of Investments	-1,868.25	-1,230.35
(Increase)/Decrease in Long Term Loans & Advances	-1,282.24	-
Interest Income	195.89	72.83
Sale/(Purchase) of Fixed Assets	-236.57	-409.66
(Increase)/Decrease in Other Non Current Assets	399.17	-438.41
<b>Net cash from investing activities (B)</b>	<b>-2,791.99</b>	<b>-2,005.59</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest/Other expenses paid on Borrowings	-113.77	-112.37
Proceeds/(Repayment) of Long Term Borrowings	-1,467.06	-80.94
Increase/(Decrease) in Short Term Borrowings	368.95	-1,157.16
Increase/(Decrease) in Capital	-	1,723.05
Increase/(Decrease) in Reserves	-396.52	-852.71
Increase/(Decrease) in Security Premium	-	5,823.64
Payment of Finance Cost	-	-
Dividend Paid	-31.82	-
<b>Net cash from financing activities (C)</b>	<b>-1,640.22</b>	<b>5,343.50</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>-2,885.70</b>	<b>2,301.90</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,925.88</b>	<b>623.98</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>40.18</b>	<b>2,925.88</b>

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**Significant Accounting Policies & Notes on Financial Statements**

As per our Report of Even Date attached

**For, Abhishek Kumar & Associates**

Chartered Accountants

FRN: 130052W

**CA ABHISHEK AGARWAL**

**Proprietor**

Membership No. 132305

**Date : May 29, 2024**

**Place : Ahmedabad**

**For & on behalf of Board of Directors  
Vital Chemtech Limited**

**VIPUL BHATT**

CHAIRMAN & MANAGING DIRECTOR

DIN: 06716658

**JAY BHATT**

WHOLE TIME DIRECTOR

DIN: 09363173

**KETKI AJAY OZA**

CFO

**CHINMAY TIKENDRAKUMAR CHOKSHI**

COMPANY SECRETARY

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**

**Notes Forming Part of Balance Sheet as at 31st March,2024**

**NOTE 1**

SHARE CAPITAL	As at 31st March 2024 (Amount in Lakhs)	As at 31st March 2023 (Amount in Lakhs)
<b>Authorised</b>		
2,50,00,000 Equity Shares of Rs.10 each	2,500.00	2,500.00
2,50,00,000 Equity Shares of Rs.10 each	2,500.00	2,500.00
<b>Issued,Subscribed &amp; Paid up</b>		
2,39,51,100 Equity Shares of Rs.10 each	2,395.11	2,395.11
2,39,51,100 Equity Shares of Rs.10 each	-	-
<b>Total</b>	<b>2,395.11</b>	<b>2,395.11</b>

**NOTE 1.1 : The reconciliation of the number of shares outstanding is set out below:**

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number	(Amount in Lakhs)	Number	(Amount in Lakhs)
Equity Shares outstanding at the beginning of the year	2,39,51,100	3,067.16	67,20,600	672.06
Equity Shares Issued during the year	-	-	1,72,30,500	2,395.10
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	2,39,51,100	3,067.16	2,39,51,100	3,067.16

**NOTE 1.2 : The details of shareholders holding more than 5% shares:**

**Equity Shares**

SR NO	Name of Shareholder	As at 31st March 2024		As at 31st March 2023	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Vipul J. Bhatt	1,31,98,500	55.11%	1,31,98,500	55.11%
2	Sangeeta Vipul Bhatt	43,87,500	18.32%	43,87,500	18.32%
	<b>Total</b>	<b>1,75,86,000</b>	<b>73.42%</b>	<b>1,75,86,000</b>	<b>73.42%</b>

**NOTE 1.3 : The details of shares held by promoters/promoter's group**

SR NO	Name of Shareholder	As at 31st March 2024		As at 31st March 2023	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Vipul J. Bhatt	1,31,98,500	55.11%	1,31,98,500	55.11%
2	Sangeeta Vipul Bhatt	43,87,500	18.32%	43,87,500	18.32%

**NOTE 2**

RESERVES & SURPLUS	As at 31st March 2024 (Amount in Lakhs)	As at 31st March 2023 (Amount in Lakhs)
<b>Surplus</b>		
Opening balance	742.24	789.82
(+) (Net loss)/Profit for the year	402.36	805.13
(+) Transfer to Reserves	(396.52)	(852.71)
Closing Balance	748.07	742.24
<b>Security Premium</b>		
Opening balance	5,823.64	-
(+) Addition during the year	-	6,093.64
(+) Transfer during the year	-	(270.00)
Closing Balance	5,823.64	5,823.64
<b>Total</b>	<b>6,571.71</b>	<b>6,565.87</b>

## NOTE 3

LONG TERM BORROWINGS	As at 31st March 2024	As at 31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Secured Loans</b>		
(i) From Banks	325.69	422.85
<b>Less: Current Maturity of Term Loans</b>	(103.61)	(103.61)
<b>Unsecured Loans</b>		
(i) Loans & Advances from Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company	375.20	1,745.09
(ii) Loans & Advances from Others	-	-
<b>Total</b>	<b>597.28</b>	<b>2,064.34</b>

## Note 3.1

1. The Secured loan taken from various Bank for purchase of Vehicles & Machinaries are secured by mortgage of said Vehicles and Machinaries against which amount borrowed. Ownership of this vehicles are in name of promoter.

## NOTE 4

SHORT TERM BORROWINGS	As at 31st March 2024	As at 31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Secured</b>		
(i) Working Capital Loans		
<b>From Banks</b>		
Axis Bank	374.12	190.06
HDFC Bank	221.52	21.73
(ii) Current maturity of Long Term Borrowings		
From Banks	103.61	103.61
From Others	-	-
	699.25	315.40
<b>Unsecured</b>		
(i) From Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company	-	14.90
(ii) From Others	-	-
	-	14.90
<b>Total</b>	<b>699.25</b>	<b>330.30</b>

## Note 4.1

- The Bank Credit limits from Axis Bank Ltd & HDFC Bank Ltd by way of Overdraft, Letter of Credit is primarily secured by way of hypothecation of the Company's entire stocks & Book Debts, both present & future.
- The said credit limits is further collaterally secured by maintaining liquid Securities/ FD.
- Further**, the said credit facilities is further secured by personal guarantees of all the Directors and guarantee of atleast 75% shareholders to be obtained.

## NOTE 5

TRADE PAYABLES	As at 31st March 2024	As at 31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(i) Micro, Small and Medium Enterprise	103.21	42.70
(ii) Others	2,090.26	1,284.98
<b>Total</b>	<b>2,193.47</b>	<b>1,327.69</b>

## Note 5.A TRADE PAYABLE DUE FOR PAYMENT AS AT MARCH 31, 2024

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	103.21	-	-	-	103.21
(ii) OTHERS	2,090.26				2,090.26



<b>(iii) DISPUTED DUES-</b>					
MSME	-	-	-	-	-
<b>(iv) DISPUTED DUES-</b>					
OTHERS	-	-	-	-	-
<b>Total</b>	<b>2,193.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,193.47</b>

**Note 5.B TRADE PAYABLE DUE FOR PAYMENT AS AT MARCH 31, 2023**

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
<b>(i) MSME</b>	42.70	-	-	-	42.70
<b>(ii) OTHERS</b>	1,284.98				1,284.98
<b>(iii) DISPUTED DUES-</b>					
MSME	-	-	-	-	-
<b>(iv) DISPUTED DUES-</b>					
OTHERS	-	-	-	-	-
<b>Total</b>	<b>1,327.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,327.69</b>

**NOTE 6**

SHORT TERM PROVISIONS	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Provision for Statutory Dues</b>		
Provision for Income Tax	116.49	300.00
Gratuity Provisions	11.59	7.40
<b>Total</b>	<b>128.08</b>	<b>307.40</b>

**NOTE 7**

OTHER CURRENT LIABILITIES	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Statutory Remittance</b>		
TDS Payable	1.89	15.37
GST Payable	41.64	0.86
<b>(ii) Other payables</b>	1.03	5.59
<b>Total</b>	<b>44.56</b>	<b>21.81</b>

**NOTE 9**

NON-CURRENT INVESTMENTS	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Other Non Current investments</b>		
In Corporate Bonds & FDs	3,368.75	1,500.50
<b>(ii) Equity instruments of subsidiaries</b>	25.35	25.35
<b>Total</b>	<b>3,394.10</b>	<b>1,525.85</b>

**Note 9.1 Non-current investments**

**Unquoted - Investment carried at cost**

**Investments in equity instruments of subsidiaries**

Vital Alkoxide Pvt. Ltd. [105000 equity shares of ₹ 10 each, fully paid up]

Vital Synthesis Ltd. [148500 equity shares of ₹ 10 each, fully paid up]

## NOTE 10

LONG TERM LOANS & ADVANCES	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
(i) Loans & Advances to Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company	1,412.24	130.00
(ii) Loans & Advances to Others	-	-
<b>Total</b>	<b>1,412.24</b>	<b>130.00</b>

## NOTE 11

OTHER NON CURRENT ASSETS	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
(i) Security Deposits	63.02	98.27
(ii) Other Deposits	-	-
(iii) Expenses Not W/Off	-	363.92
<b>Total</b>	<b>63.02</b>	<b>462.19</b>

## NOTE 12

INVENTORIES	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Raw Materials	997.99	989.42
Stock-in-progress	-	-
Capital Goods	-	-
Finished goods	149.95	207.37
Consumable Stores	23.35	56.84
Packing Materials	42.59	93.00
<b>Total</b>	<b>1,213.88</b>	<b>1,346.63</b>

## NOTE 13

TRADE RECEIVABLES (Unsecured and Considered Good)	As at	As at
	31st March 2024	31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
Less than Six Months	3,402.64	3,295.07
Others	957.82	529.40
<b>Total</b>	<b>4,360.47</b>	<b>3,824.47</b>

**13 A .TRADE RECEIVABLES AGEING SCHEDULE AS AT MARCH 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,402.64	957.82	-	-	-	4,360.47
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
<b>Total</b>	<b>3,402.64</b>	<b>957.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,360.47</b>

**13 B .TRADE RECEIVABLES AGEING SCHEDULE AS AT MARCH 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,295.07	529.40	-	-	-	3,824.47
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
<b>Total</b>	<b>3,295.07</b>	<b>529.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,824.47</b>

**NOTE 14**

CASH AND BANK BALANCES	As at 31st March 2024	As at 31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	38.69	46.09
<b>Bank Balances</b>		
In Current Accounts	1.49	226.03
In Deposits Accounts	-	2,653.76
<b>Total</b>	<b>40.18</b>	<b>2,925.88</b>

**NOTE 15**

SHORT TERM LOANS AND ADVANCES	As at 31st March 2024	As at 31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
(i) Balance with Government Authorities	57.14	408.24
(ii) Loans & Advances to Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company	-	-
(iii) Others (specify nature)		
Advances to Workers	26.11	15.99
<b>Advance to Suppliers</b>		
MSME	-	-
Others	10.99	467.74
<b>Total</b>	<b>94.24</b>	<b>891.97</b>

**NOTE 16**

OTHER CURRENT ASSETS	As at 31st March 2024	As at 31st March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
TDS Recievable	-	-
TCS Recievable	-	-
Advance Tax	130.00	-
Prepaid Expenses Not W/Off	2.25	33.08
<b>Total</b>	<b>132.25</b>	<b>33.08</b>

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**

**Notes Forming Part of Statement of Profit and Loss for the year ended**  
**31st March, 2024**

**NOTE 17**

REVENUE FROM OPERATION	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Sale of Goods	10,173.26	11,674.33
Sale of Services	-	-
<b>Total</b>	<b>10,173.26</b>	<b>11,674.33</b>

**NOTE 17.1**

PARTICULARS OF REVENUE FROM OPERATION	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Particular of Goods</b>		
Supply of Chemicals	10,173.26	11,674.33
<b>Particular of services</b>	-	-
<b>Total</b>	<b>10,173.26</b>	<b>11,674.33</b>

**NOTE 18**

OTHER INCOME	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Interest Income</b>		
Interest Income - Term Deposit	195.76	72.83
Interest Income - Late Payment	0.13	-
Interest Income -MSME	0.14	0.00
<b>Other Income</b>		
Kasar & Vatav	-	14.30
Duty Drawback Export Income	4.25	-
Exchange Rate Fluctuations	74.11	-74.77
Frieght Outward Income	1.26	1.83
Profit on sale of Mutual Fund/ Bonds	49.52	-
Profit/ Loss on sales of assets	1.27	-
Interest on Income Tax Refund	4.48	-
<b>Total</b>	<b>330.91</b>	<b>14.19</b>

**NOTE 19**

COST OF MATERIAL CONSUMED	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Opening Stock of Raw Material	989.42	574.51
Add:- Purchases During the Year	7,394.89	9,011.33
Less:- Closing Stock of Raw Material	997.99	989.42
<b>Total</b>	<b>7,386.32</b>	<b>8,596.42</b>

## NOTE 20

CHANGES IN INVENTORIES OF FINISHED GOODS, WORKI IN PROGRESS AND STOCK-IN-TRADE	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Closing Inventories</b>		
Finished goods	149.95	207.37
Work in progress	-	-
Consumable Stores	23.35	56.84
Packing Materials	42.59	93.00
<b>Sub Total (A)</b>	<b>215.89</b>	<b>357.21</b>
<b>Opening Inventories</b>		
Finished goods	207.37	131.14
Work in progress	-	90.20
Consumable Stores	56.84	20.23
Packing Materials	93.00	89.38
<b>Sub Total (B)</b>	<b>357.21</b>	<b>330.96</b>
<b>Total (A-B)</b>	<b>141.33</b>	<b>(26.26)</b>

## NOTE 21

FINANCE COST	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Interest Expense</b>		
Interest on Bank CC/OD	21.38	19.13
Interest Expenses - Term Loan	33.71	37.70
Interest Expenses - Others	1.82	0.21
<b>(ii) Other Borrowing Cost</b>	56.87	55.32
<b>Total</b>	<b>113.77</b>	<b>112.37</b>

## NOTE 22

EMPLOYEE BENEFITS EXPENSE	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Salaries and Wages</b>	220.28	145.29
<b>(ii) Director Remuneration</b>	90.00	100.00
<b>(iii) Contributions to Provident Fund &amp; Other Fund</b>		
Provident Fund	8.33	7.06
Gratuity	4.19	1.44
<b>(iv) Staff welfare expenses</b>		
Staff Welfare Expenses	16.37	8.06
<b>Total</b>	<b>339.18</b>	<b>261.85</b>

## NOTE 23

OTHER EXPENSES		Year Ended 31st March, 2024	Year Ended 31st March, 2023
		(Amount in Lakhs)	(Amount in Lakhs)
<b>Manufacturing Expenses</b>			
	Power & Fuel	125.91	119.42
	Labour Charges	28.46	14.36
	Import Expenses	53.73	98.78
	Freight Expenses	48.48	46.32
	Factory Expenses	31.61	31.18
	Repairing & Maintenance Expenses	19.31	14.88
<b>Sub Total (A)</b>		<b>307.51</b>	<b>324.94</b>
<b>Administrative Selling &amp; General Expenses</b>			
	Audit fees	7.00	7.78
	Consumables Expenses	301.52	287.85
	Dividend	31.82	
	Donation Expenses	-	0.51
	Exhibition Expenses	34.93	15.55
	Power & Fuel Expenses - Indirect	12.33	8.55
	Export Expenses	5.32	6.66
	Freight Expenses	231.61	135.45
	GIDC Water Charges	16.66	-
	Insurance Expenses	36.04	32.96
	Internet Expenses	0.34	0.56
	IPO Related Expenses	-	39.96
	Legal & professional Charges	475.92	27.99
	Loading Unloading Charges	11.11	7.79
	Packing Material Expenses	244.62	362.07
	Registration & membership fees	13.08	14.96
	Office Expenses	3.53	0.16
	Repairs & Maintenance Expenses	25.54	13.84
	Rent Expenses	2.04	22.54
	Sales Promotional Expenses	-	9.23
	Plant Security Expenses	10.13	7.61
	Tax & Rates Expenses	2.42	0.46
	Traveling Expenses	39.74	12.86
	Loss on sale of Asset	-	1.00
	Corporate Responsibility Expenses	-	21.25
	Telephone Expenses	1.61	1.43
<b>Sub Total (B)</b>		<b>1,507.31</b>	<b>1,039.00</b>
<b>Total(A+B)</b>		<b>1,814.81</b>	<b>1,363.94</b>
SR No	AUDIT FEES	Year Ended 31st March, 2024	Year Ended 31st March, 2023
		(Amount in Lakhs)	(Amount in Lakhs)
	Payments to the auditor as		
1	auditor,	7.00	7.78
2	for taxation matters,	-	-
3	for company law matters,	-	-
4	for management services,	-	-
5	for stock audit charges	-	-
6	for other services,	-	-
7	for reimbursement of expenses;	-	-
<b>Total</b>		<b>7.00</b>	<b>7.78</b>



## NOTE 8

Fixed Assets	Gross Block						Accumulated Depreciation				Net Block	
	As at 31st March 2023	Additions	Deductions	As at 31st March 2024	As at 31st March 2023	Depreciation charge for the year ended 31st March 2024	Adjustments	On disposals	As at 31st March 2024	As at 31st March 2023		
Land	865.22	0.98	-	866.20	-	-	-	-	866.20	865.22		
Buildings	327.26	157.51	-	484.77	38.04	34.73	-	-	412.01	289.23		
Automation and Instruments	38.71	0.94	-	39.65	9.17	5.73	-	-	24.75	29.54		
Computer and Systems	21.41	1.80	-	23.22	8.95	8.82	-	-	17.77	12.46		
Electricals, Pipes-Valves and Pumps	156.32	14.48	-	170.80	45.46	33.02	-	-	92.31	110.86		
Fire Hydrant Systems	13.51	-	-	13.51	3.42	2.00	-	-	8.08	10.09		
Furnitures and Fixtures	11.17	4.79	-	15.96	3.48	2.31	-	-	10.17	7.69		
Instruments	15.08	-	-	15.08	3.15	2.24	-	-	9.69	11.93		
Laboratory Equipments	0.96	0.27	-	1.23	0.37	0.23	-	-	0.63	0.59		
Machineries and Equipments	491.62	31.78	-	523.40	107.10	75.20	-	-	341.10	384.52		
Utilities	126.98	27.26	-	154.24	28.22	21.44	-	-	104.58	98.76		
Vehicles	148.87	-	16.92	131.95	53.98	31.84	13.70	-	59.83	94.89		
<b>TOTAL</b>	<b>2,217.13</b>	<b>239.79</b>	<b>16.92</b>	<b>2,440.00</b>	<b>301.35</b>	<b>217.55</b>	<b>13.70</b>	<b>-</b>	<b>1,934.80</b>	<b>1,915.78</b>		

# CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS ON 31st MARCH, 2024

## NOTE 24:

### A. COMPANY INFORMATION

Our Company was originally incorporated as a private limited company on November 11, 2013, as 'Rudra Chemtech Private Limited', under the provisions of the Companies Act, 1956. Subsequently, Our Company was converted to Limited Liability Partnership Firm as 'Rudra Chemtech Limited Liability Partnership' having duly passed the necessary resolution in terms of Rule 20(1) of the LLP Rules, 2009 on February 12, 2015, under the LLP Act, 2008. Thereafter, on February 20, 2015, name was changed to 'Vital Chemtech Limited Liability Partnership' pursuant to Rule 20(3) of the LLP Rules, 2009. Later on, our Limited Liability Partnership was converted to Public Limited Company under section 366 Part I chapter XXI of the Companies Act, 2013 as 'Vital Chemtech Limited' and fresh Certificate of Incorporation consequent upon Conversion from Limited Liability Partnership to Public Limited Company dated November 25, 2021, was issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The Corporate Identification Number (CIN) of the Company is L24299GJ2021PLC127538 and the Permanent Account Number (PAN) of the Company is AAICV4201F.

Company is engaged in manufacturing, producing, refining, processing, formulating, mixing, enriching, mining, importing, exporting, acquiring, inventing, buying, selling, exchanging, distributing and otherwise trading and dealing in all kinds of mixtures, formulations, intermediates, derivatives, compounds, phosphorous based chemicals, fine chemicals, heavy chemicals, valence, inorganic and organic chemicals, source materials, intermediates, ingredients, mixtures, derivatives and compounds thereof and to carry on the business of chemical merchants, agents, distributors, suppliers in any or more of the above objects.

### B. SIGNIFICANT ACCOUNTING POLICIES FOR PREPARATION OF FINANCIAL STATEMENTS

#### B.1 Accounting Convention

The standalone financial statement have been prepared under the historical cost convention on the "Accrual Concept" except for certain financial instruments which are measured at fair values and Going Concern assumptions of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

Accounting policies have been consistently applied, except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rs. In Lakh as per the requirement of division II of Schedule III, unless otherwise stated.

#### B.2 Use of Estimates and Judgements

The preparation of standalone financial statements requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities on the date of the standalone financial statement and the reported amount of revenues and expenses during the reporting period. The application of accounting policies that require critical accounting estimates, which involve complex and subjective judgments and the use of assumptions in these financial statements, have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

#### B.3 Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria:

- i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;

- ii. It is held primarily for the purpose of being traded.
- iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

## **C. Basis of Preparation**

### **1) Presentation and Disclosure of Standalone Financial Statements**

These standalone financial statements have been prepared as per "Schedule - III" notified under the Companies Act, 2013. The Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the current year.

### **2) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition / construction is included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

### **3) Depreciation**

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets and depreciation rates as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

### **4) Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

### **5) Investments**

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

### **6) Inventories**

Inventories consist of Raw Materials, Stock Work-in-Progress and Finished Goods are valued at Cost or Net Realizable Value, whichever

is lower.

### **7) Revenue Recognition**

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

Sale of goods is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat, GST and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis.

Capital gains on sale of investment if any are recognized on completion of transaction. No notional profits/losses are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

Dividend from investments in shares / units is recognized when the Companies right to receive payment is established.

Other items of Income are accounted as and when the right to receive arises.

### **8) Borrowing Cost**

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipment's are capitalized as a part of cost of that property, plants and equipment's. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 "Borrowing Costs". Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such property, plants and equipment's if they are directly attributable to their acquisition or charged to the Standalone Statement or Profit and Loss.

### **9) Employee Benefits**

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of 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 & loss account for the year in which the liabilities are crystallized.

### **10) Taxes on Income**

Income tax expenses for the year comprises of current tax and deferred tax.

Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act.

Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

**11) Foreign Currency Transaction**

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate.
- ii. Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

**12) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. There are no contingent liabilities as on March 31, 2024.

**13) Related Party Disclosure**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.

**14) Accounting for Leases**

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

- i. Operating Lease: - Rental payable under the operating lease are charged to the Standalone Statement of Profit and Loss on a Straight-line basis over the term of the relevant lease.
- ii. Finance Lease: - Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

**15) Cashflow**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

**16) Earnings Per Share**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

**17) Discontinuing Operations**

During the year the company has not discontinued any of its operations.

**18) Event after Reporting Date**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the standalone financial statement of the Company by the board of directors on May 29, 2024 have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

**19)** The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.

**20)** Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

**21)** Balances of Trade Payables, Trade Receivable and Loans and Advances are subject to confirmations and reconciliation if any, by the respective parties.

**22)** The account balances existing at the beginning of the period have been relied upon the audited financial statements.

**23)** Amounts are in lakhs except units are in actual numbers wherever required considered accordingly for respective computations.

**24) Segment Reporting**

The company is dealing in primary segment i.e. manufacturing of all kinds of chemicals and secondary segment of trading. Company does not have distinguishable component of an enterprise that is engaged in providing an individual product or service and that is subject to risks and returns that are different from those of other business segment.

**25) Statement of Management**

i. The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

ii. Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.



**26) Post Employment Benefits:**

The Company has valued its obligations related to Gratuity as follows:

(Rs. in lakhs except units are in actual numbers)

ASSUMPTIONS	For the Period Ended on March 31, 2024
Discount Rate	7.1%
Expected Rate of Salary Increase	6%
Attrition Rate	5% to 1%
Mortality Rate	IALM (2012-14) ULT
Retirement	60 Years
<b>CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS</b>	<b>For the Period Ended on March 31, 2024</b>
Defined Benefit Obligation at beginning of the year	7.40
Current Service Cost	3.50
Interest cost	0.53
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.36
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	(0.19)
Defined Benefit Obligation as at end of the year	11.59
<b>AMOUNT RECOGNIZED IN THE BALANCE SHEET:</b>	<b>For the Period Ended on March 31, 2024</b>
Net liability as at beginning of the year	7.39
Net expense recognized in the Statement of Profit and Loss	4.20
Expected Return on Plan Assets	
Net liability as at end of the year	11.59
<b>EXPENSE RECOGNIZED:</b>	<b>For the Period Ended on March 31, 2024</b>
Current Service Cost	3.50
Interest Cost	0.53
Return on Plan Assets	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.36
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	(0.19)
Expense charged to the Statement of Profit and Loss	4.20
<b>BALANCE SHEET RECONCILIATION:</b>	<b>For the Period Ended on March 31, 2024</b>
Opening net liability	7.39
Expense as above	4.20
Provision Related to Previous Year booked as Prior Period Items	
Return on Plan Assets	
Benefits Paid	
Net liability/(asset) recognized in the balance sheet	11.59

**27) Foreign Currency Transaction (AS 11)**

Foreign currency transaction includes Import and Export as per Accounting Standard – 11 as at the end of the year/period is reported as under.

Particulars	(Rs. in Lakhs)
	For the Period Ended on March 31, 2024
<b>Foreign Exchange Earnings</b>	
<b>Sales</b>	
Receipts in Foreign Currency	61.93
FOB Value of Exports	114.20
<b>Foreign Exchange Outgoings</b>	
<b>Purchase</b>	
Payments in Foreign Currency	5368.69
CIF Value of Imports	7793.15

**28) Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended.

**Name of Related Parties and description of relationship**

Sr. No.	Name of Related Parties
	<b>Key Management Personnel's / Related Party</b>
1.	Vipul Bhatt : Managing Director
2.	Sangeeta Vipul Bhatt : Wholetime Director (Spouse)
3.	Jay Bhatt : Wholetime Director (Son)
4.	Keyaa Vipul Bhatt (Daughter)
5.	Late Jatashankar Ambalal Bhatt (Father)
6.	Late Kumudben Jatashankar Bhatt (Mother)
7.	Hitesh Jatashankar Bhatt ( Brother)
8.	Chhaya Akshay Pandya (Sister)
9.	Ketki Dilip Pandya (Sister)
10.	Harshadrai Pranal Trivedi (Spouse's Father)
11.	Ushaben Pranal Trivedi (Spouse's Mother)
12.	Kirti Harshadrai Trivedi (Spouse's Brother)
13.	Ketki Ajay Oza – CFO
	<b>Associate Concerns</b>
1.	Vital Chemicals (Proprietor: Vipul Bhatt)
2.	Vital Wellness Limited
3.	Valentia Synthesis Private Limited
4.	Neo Fine Chemical Industries
5.	Vital Dye Chem Industries (Vipul Bhatt - HUF)
6.	Ambica Packaging Industries (Proprietor: Hitesh Bhatt)
7.	Jay Innovative Solution (Proprietor: Jay Bhatt)
8.	Shakti Enterprise (Proprietor: Sangeeta Bhatt)
9.	Vipul Jatashankar Bhatt - HUF ( Karta: Vipul Bhatt)
	<b>Subsidiary Company</b>
1.	Vital Synthesis Limited
2.	Vital Alkoxides Private Limited

(Rs in Lakhs)			
Sr. No.	Nature of Transaction	Name of Related Parties	For the Period Ended on March 31, 2024
<b>I</b>	<b>Directors Remuneration</b>		
		Vipul Bhatt	84.00
		Sangeeta Vipul Bhatt	36.00
		Jay Vipul Bhatt	60.00
<b>II</b>	<b>Loan Received (Paid) during the Year to Related Parties</b>		
		<b>Vipul Bhatt</b>	
		Opening Balance	889.95
		Loan Received during the year	253.50
		Loan Paid during the year	(896.70)
		Closing Balance	246.75
		<b>Sangeeta Vipul Bhatt</b>	
		Opening Balance	262.37
		Loan Received during the year	30.00
		Loan Paid during the year	(179.40)
		Closing Balance	112.97
		<b>Jay Vipul Bhatt</b>	
		Opening Balance	83.48
		Loan Received during the year	77.00
		Loan Paid during the year	(145.00)
		Closing Balance	15.48
		<b>Valentia Synthesis Private Limited</b>	
		Opening Balance	509.29
		Loan Received during the year	440.00
		Loan Paid during the year	(949.29)
		Closing Balance	0.00
		<b>Vital Synthesis Limited</b>	
		Opening Balance	0.05
		Loan Received during the year	473.18
		Loan Paid during the year	(1421.13)
		Closing Balance	(947.90)
		<b>Vital Alkoxides Private Limited</b>	
		Opening Balance	(130.00)
		Loan Received during the year	337.11
		Loan Paid during the year	(671.44)
		Closing Balance	(464.33)
<b>III</b>	<b>Sales</b>		
		Vital Chemicals	180.07
		Vital Alkoxides Pvt Ltd	28.03
<b>IV</b>	<b>Professional Consultancy</b>		
		Vital synthesis Ltd	525.40

**29) Notes forming part of accounts in relation to Micro and small enterprise**

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below:

Sr. No.	Particulars	Year ended on 31st March, 2024		Year ended on 31st March, 2023	
		Principal	Interest	Principal	Interest
1	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil
2	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
3	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
4	The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

**30) Defined Contribution Plan :-**

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

**Contribution to Defined Contribution Plans, recognized as expenses for the year is as under:**

Particulars	(Rs in Lakhs)	
	2023-24	2022-23
Employer's Contribution to Provident Fund	8.33	6.82

**31) Tittle deeds of immovable property:-**

Tittle deeds of immovable property have not been held in the name of promoter, director, or relative of promoter/ director or employee of promoters / director of the company, hence same are held in the name of the company.

**32) Revaluation of property, plants and equipment's:-**

The Company has not revalued its Property, Plant and Equipment for the current year.

**33) Intangible assets under development:-**

There are no Intangible assets under development in the current year.

**34) Details of Benami property held:-**

The company does not hold any benami property under the Benami Transaction (prohibition) act, 1988 and the rules there made under. Hence any proceeding has not been initiated or pending against the company for holding any benami property under the Benami Transaction (prohibition) act, 1988 and rules made there under.

**35) Borrowings from bank or financial institution on the basis of current assets:-**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current

assets filed by the Company with banks are in agreement with the books of accounts. -

**36) Wilful Defaulter:-**

The company has not been declared as wilful defaulter by any bank or financial institution or government or government authority during the year reporting period.

**37) Relationship with struck off companies:-**

The company does not have transactions with the struck off under section 248 of companies act, 2013 or section 560 of companies act, 1956.

**38) Registration of charges or satisfaction with Registrar of companies:-**

The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

**39) Compliance with number of layers of companies:-**

The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

**40) Compliance with approved scheme of Arrangements:-**

Company does not have made any arrangements in terms of section 230 to 237 of company's act 2013, and hence there is no deviation to be disclosed.

**41) Utilization of borrowed funds and share premium:-**

As on March 31, 2024, there is no unutilized amount in respect of any issue of securities and long-term borrowing from banks and financial institution. The borrowed funds have been utilized for the specific purpose for which the funds were raised.

**42) Corporate social responsibility (CSR).**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	2023-24	2022-23
Contribution for Corporate Social Responsibility	22.10	21.25

**43) Details of crypto currency and virtual currency.**

The company has not traded or invested in crypto currency or virtual currency during the financial year.

**44)**

i. No funds 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 persons or entities, including foreign entities ("Intermediaries"), except one of subsidiaries, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**45) Trade Payable Ageing Summary**

31.03.2024

(Rs in Lakhs)

Particulars	Outstanding for following periods from due date of payment / Invoice date					Total
	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	>180 Days	
(i) MSME	36.56	44.81	17.55	4.30	0.00	103.21
(ii) Others	1163.45	558.10	523.87	22.87	(178.03)	2090.26

## 46) Trade Receivable Ageing Summary

31.03.2024

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of receipts / Invoice date					Total
	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	>180 Days	
(i) From Directors/ Relatives/ Associates	-	-	-	-	-	-
(ii) Others	1745.90	750.98	363.17	542.59	957.82	4360.47

## 47) Accounting for Preliminary Expenses (AS 26)

No preliminary expenses have been incurred during the current year.

## 48) Accounting Ratios:

S. No.	Particulars	March 31, 2024
(a)	Current Ratio	1.91
(b)	Debt-Equity Ratio	0.14
(c)	Debt Service Coverage Ratio	2.73
(d)	Return on Equity Ratio (in %)	4.49%
(e)	Inventory Turnover Ratio (in times)	5.88
(f)	Trade Receivables Turnover Ratio (in times)	2.49
(g)	Trade Payables Turnover Ratio (in times)	4.20
(h)	Net Capital Turnover Ratio (in times)	0.98
(i)	Net Profit Ratio (in %)	3.96%
(j)	Return on Capital Employed (in %)	5.25%
(k)	Return on Investment (in %)	3.87%

Particulars	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Debt	Equity
Debt Service Coverage Ratio	Earnings available for Debt Services	Total Debt Service
Return on Equity Ratio	Profit After Tax	Average Shareholder's Fund
Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory
Trade Receivables turnover ratio (in times)	Revenue from Operation	Average Trade Receivables
Trade payables turnover ratio (in times)	Purchases	Average Trade Payables
Net capital turnover ratio (in times)	Revenue from Operation	Average Capital Employed
Net profit ratio	Net Profit After Tax	Revenue from Operation
Return on Capital employed	Earning before Interest and Taxes	Average Capital Employed
Return on investment.	Net Profit After Tax	Average Capital Employed

## As per our report of even date attached

For, Abhishek Kumar &amp; Associates

Chartered Accountants

FRN: 130052W

CA ABHISHEK AGARWAL

Proprietor

Membership No. 132305

Date : May 29, 2024

Place : Ahmedabad

For &amp; on behalf of Board of Directors

Vital Chemtech Limited

VIPUL BHATT

CHAIRMAN &amp; MANAGING DIRECTOR

DIN: 06716658

JAY BHATT

WHOLE TIME DIRECTOR

DIN: 09363173

KETKI AJAY OZA

CFO

CHINMAY TIKENDRAKUMAR CHOKSHI

COMPANY SECRETARY



# CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VITAL CHEMTECH LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying "Consolidated financial Statements (the "Statement") of **Vital Chemtech Limited** (the "Company") having **CIN: L24299GJ2021PLC127538** and its subsidiaries **Vital Alkoxides Private limited** and **Vital Synthesis Limited** (the holding company and its subsidiaries together referred to as "group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Statement of Consolidated Profit and Loss and the Statement of Consolidated Cash Flows for the year ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the Consolidated financial statements of the current period. This matter was addressed in the context of our audit of the Consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on this matter. We have nothing to report in this regard.

#### Information Other than the Consolidated financial statements and Auditor's Report Thereon

The Board of Directors of the Company is responsible for the preparation of other information. The other information comprises the information included in the operational highlights, Directors' Report and its annexure, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's information and performance trend, but does not include the consolidated financial statements and our Auditor's Report thereon. These reports are expected to be made available to us after the date of auditor's report.

Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated financial statements**

The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the Management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 Consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 can reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of use of the going concern basis of accounting by the Management and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Consolidated 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 Consolidated financial statements, including the disclosures and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair

presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Consolidated financial statements.

Materiality is the magnitude of misstatements in the Consolidated financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated 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 Consolidated 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 must not be communicated in our report because the adverse consequences of doing so will reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, 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 and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

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

1. The Company does not have any pending litigations which would impact its financial position.
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. The Company is not liable to transfer any amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
4.
  - i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - ii) 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;
  - iii) 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.
5. The Board of Directors of the Vital Chemtech Limited have proposed final dividend of Rs. 0.5 per share for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2024.

**For, ABHISHEK KUMAR & ASSOCIATES**

Chartered Accountants  
Firm's Registration No. 130052W

**CA Abhishek Agrawal**  
**Proprietor**

Membership No. 132305  
UDIN: 24132305BKKEYXA2521

**Place: Ahmedabad**

**Date: 29th May, 2024**

## Annexure- A To Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vital Chemtech Limited of even date)

**Report on the Internal Financial Controls with reference to Consolidated Financials Statements 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 **VITAL CHEMTECH LIMITED** (the Company) as of March 31, 2024, in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Control

The Management of the Company is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements 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 (the Guidance Note) issued by the Institute of Chartered Accountants of India (THE "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls of the Company with reference to consolidated financial statements over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements over financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements 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 judgement, including the assessment of the risks of material misstatement of the Consolidated 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 internal financial controls with reference to consolidated financial statements over financial reporting of the Company.

### Meaning of Internal Financial Controls over Financial Reporting

The internal financial control over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with the Generally Accepted Accounting Principles. Internal financial control with reference to consolidated financial statements over financial reporting of a Company 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 Consolidated financial statements in accordance with the Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and

iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that can have a material effect on the Consolidated financial statements.

#### **Inherent Limitations of Internal Financial Control over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management 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 with reference to consolidated financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to consolidated financial statements 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 (the "Guidance Note").

#### **For, ABHISHEK KUMAR & ASSOCIATES**

Chartered Accountants  
Firm's Registration No. 130052W

#### **CA Abhishek Agrawal Proprietor**

Membership No. 132305  
UDIN: 24132305BKEYXA2521

**Place: Ahmedabad  
Date: 29th May, 2024**

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**  
**Consolidated Balance Sheet as at 31st March,2024**

(Amount in Lakhs)			
Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	2,395.11	2,395.11
(b) Reserves and surplus	2	6,039.18	6,565.88
		8,434.29	8,960.99
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	1,623.87	2,228.15
(b) Deferred tax liability (Net)		21.81	43.33
		1,645.68	2,271.48
<b>3 Current liabilities</b>			
(a) Short term borrowing	4	953.95	652.31
(b) Trade payables	5		
(i) Total outstanding dues of micro enterprises and small enterprises		139.98	56.61
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,398.39	1,467.18
(c) Short-term provisions	6	128.08	308.54
(d) Other Current Liabilities	7	44.79	54.69
		3,665.19	2,539.33
<b>Total</b>		<b>13,745.16</b>	<b>13,771.79</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment - Tangible Assets	8	4,274.80	2,458.21
(b) Non-Current Investments	9	3,496.10	1,539.50
(c) Long Term Loans and Advances	10	-	-
(d) Other Non Current Assets	11	176.15	472.46
		7,947.05	4,470.17
<b>2 Current assets</b>			
(a) Inventories	12	1,264.55	1,346.63
(b) Trade receivables	13	3,927.89	3,824.47
(c) Cash and cash equivalents	14	48.70	3,051.29
(d) Short-term loans and advances	15	423.77	892.59
(e) Other Current Assets	16	133.20	186.65
		5,798.11	9,301.63
<b>Total</b>		<b>13,745.16</b>	<b>13,771.80</b>



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**Significant Accounting Policies  
Notes on Financial Statements  
Accompanying Notes form an integral part of the financial statements 24**

**As per our Report of Even Date**

**For, Abhishek Kumar & Associates**  
Chartered Accountants  
FRN: 130052W

**CA ABHISHEK AGARWAL**  
**Proprietor**  
Membership No. 132305

**Date : May 29, 2024**  
**Place : Ahmedabad**

**For & on behalf of Board of Directors  
Vital Chemtech Limited**

**VIPUL BHATT**  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 06716658

**JAY BHATT**  
WHOLE TIME DIRECTOR  
DIN: 09363173

**KETKI AJAY OZA**  
CFO

**CHINMAY TIKENDRAKUMAR CHOKSHI**  
COMPANY SECRETARY

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**

**Statement of Consolidated Profit and Loss for the year ended 31st March, 2024**

(Amount in Lakhs)

Particulars	Note No.	For the Year ended 31 March 2024	For the Year ended 31 March 2022
Revenue from operations	17	9,827.38	11,674.33
Other income	18	333.21	14.20
<b>Total Revenue</b>		10,160.59	11,688.53
Expenses:			
Cost of materials consumed	19	7,444.05	8,596.42
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	105.34	-26.26
Finance costs	21	124.71	112.37
Employee benefits expense	22	365.93	261.85
Depreciation and amortization expense	8	263.30	231.75
Other expenses	23	1,892.53	1,363.94
<b>Total expenses</b>		10,195.86	10,540.06
<b>Profit/ (Loss) Before Tax</b>		<b>-35.27</b>	<b>1,148.47</b>
Tax expense:			
(1) Current tax		116.49	300.00
(2) Deferred tax		-21.52	43.33
(3) Tax for earlier years		-	-
<b>Profit/ (Loss) After Tax</b>		<b>-130.24</b>	<b>805.14</b>
Earnings per equity share:			
Basic and Diluted		-	4.50
		-	4.50

**Significant Accounting Policies**

**Notes on Financial Statements**

**Accompanying Notes form an integral part of the financial statements 24**

**As per our Report of Even Date**

**For, Abhishek Kumar & Associates**

Chartered Accountants

FRN: 130052W

**CA ABHISHEK AGARWAL**

**Proprietor**

Membership No. 132305

**Date : May 29, 2024**

**Place : Ahmedabad**

**For & on behalf of Board of Directors  
Vital Chemtech Limited**

**VIPUL BHATT**

CHAIRMAN & MANAGING DIRECTOR

DIN: 06716658

**JAY BHATT**

WHOLE TIME DIRECTOR

DIN: 09363173

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**CHINMAY TIKENDRAKUMAR CHOKSHI**

COMPANY SECRETARY

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**  
**Consolidated Cash Flow Statement for the year ended 31st March, 2024**

(Amount in Lakhs)

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before tax	-35.27	1,148.46
Adjustments for:		
Depreciation	263.30	231.75
Finance Cost	124.71	112.37
Interest Income	-195.89	-72.83
<b>Operating profit before working capital changes</b>	<b>156.85</b>	<b>1,419.75</b>
Movements in working capital :		
(Increase)/Decrease in Reserves	-	
(Increase)/Decrease in Inventories	82.08	-441.17
(Increase)/Decrease in Trade Receivables	-103.42	348.54
(Increase)/Decrease in Loans & Advances	468.82	-527.70
(Increase)/Decrease in Other Current Assets	53.46	-185.76
Increase/(Decrease) in Trade Payables	1,014.58	-1,217.75
Increase/(Decrease) in Other Current Liabilities	-9.90	42.09
Increase/(Decrease) in Long Term Provisions	-	-
Increase/(Decrease) in Short Term Provisions	-180.46	31.93
<b>Cash generated from operations</b>	<b>1,482.01</b>	<b>-530.07</b>
Adjustment on Account of Income Tax Expense	-84.61	-300.00
		-
<b>Net cash from operating activities (A)</b>	<b>1,397.40</b>	<b>-830.07</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/(Purchase) of Investments	-1,956.60	-1,244.00
(Increase)/Decrease in Long Term Loans & Advances	-	-
Interest Income	195.89	72.83
Sale/(Purchase) of Fixed Assets	-2,079.89	-952.10
(Increase)/Decrease in Other Non Current Assets	296.31	-448.68
<b>Net cash from investing activities (B)</b>	<b>-3,544.29</b>	<b>-2,571.95</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest/Other expenses paid on Borrowings	-124.71	-112.37
Proceeds/(Repayment) of Long Term Borrowings	-604.28	82.88
Increase/(Decrease) in Short Term Borrowings	301.64	-835.15
Increase/(Decrease) in Capital	-	1,723.05
Increase/(Decrease) in Reserves	-396.52	-852.71
Increase/(Decrease) in Security Premium	-	5,823.64
Payment of Dividend	-31.82	-
<b>Net cash from financing activities (C)</b>	<b>-855.69</b>	<b>5,829.34</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>-3,002.59</b>	<b>2,427.31</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,051.29</b>	<b>623.98</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>48.70</b>	<b>3,051.29</b>

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**Significant Accounting Policies  
Notes on Financial Statements  
Accompanying Notes form an integral part of the financial statements 24**

**As per our Report of Even Date**

**For, Abhishek Kumar & Associates**  
Chartered Accountants  
FRN: 130052W

**CA ABHISHEK AGARWAL**  
**Proprietor**  
Membership No. 132305

**Date : May 29, 2024**  
**Place : Ahmedabad**

**For & on behalf of Board of Directors  
Vital Chemtech Limited**

**VIPUL BHATT**  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 06716658

**JAY BHATT**  
WHOLE TIME DIRECTOR  
DIN: 09363173

**KETKI AJAY OZA**  
CFO

**CHINMAY TIKENDRAKUMAR CHOKSHI**  
COMPANY SECRETARY

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**

**Notes Forming Part of Balance Sheet as at 31st March, 2024**

**NOTE 1**

SHARE CAPITAL	As at 31 March 2024 (Amount in Lakhs)	As at 31 March 2023 (Amount in Lakhs)
<b>Authorised</b> 2,50,00,000 Equity Shares of Rs.10 each	2,500.00	2,500.00
<b>Issued,Subscribed &amp; Paid up</b> 2,39,51,100 Equity Shares of Rs.10 each	2,395.11	2,395.11
<b>Total</b>	<b>2,395.11</b>	<b>2,395.11</b>

**NOTE 1.1 : The reconciliation of the number of shares outstanding is set out below:**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	(Amount in Lakhs)	Number	(Amount in Lakhs)
Equity Shares outstanding at the beginning of the year	2,39,51,100	2,395.11	67,20,600	672.06
Equity Shares Issued during the year			1,72,30,500	1,723.05
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	2,39,51,100	2,395.11	2,39,51,100	2,395.11

**NOTE 1.2 : The details of shareholders holding more than 5% shares:**

**Equity Shares**

SR NO	Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Vipul J. Bhatt	1,31,98,500	55.11%	1,31,98,500	55.11%
2	Sangeeta Vipul Bhatt	43,87,500	18.32%	43,87,500	18.32%
	<b>Total</b>	<b>1,75,86,000</b>	<b>73.43%</b>	<b>1,75,86,000</b>	<b>73.43%</b>

**NOTE 1.3 : The details of shares held by promoters**

SR NO	Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Vipul J. Bhatt	1,31,98,500	55.11%	1,31,98,500	55.11%
2	Sangeeta Vipul Bhatt	43,87,500	18.32%	43,87,500	18.32%

**NOTE 2**

RESERVES & SURPLUS	As at 31 March 2024 (Amount in Lakhs)	As at 31 March 2023 (Amount in Lakhs)
<b>Reserve &amp; Surplus</b>		
Opening balance	742.25	789.82
(+) (Net loss)/Profit for the year	-130.24	805.14
(+) Transfer to Reserves	-396.52	-852.71
Closing Balance	215.49	742.25
<b>Security Premium</b>		
Opening balance	5,823.64	-
(+) Addition during the year	-	6,093.64
(-) Transfer during the year	-	-270.00
Closing Balance	5,823.64	5,823.64
Capital Reserve (VSL)	0.05	
<b>Total</b>	<b>6,039.18</b>	<b>6,565.89</b>

## NOTE 3

LONG TERM BORROWINGS	As at	As at
	31 March 2024	31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Secured Loans</b>		
(i) From Banks	325.69	482.21
Less : Current maturity of Term Loans	(103.61)	-
ADD : VAPL(70%)	411.71	
	<b>633.79</b>	<b>482.21</b>
<b>Unsecured Loans</b>		
(i) Loans & Advances from Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company	375.70	1,745.95
(ii) Loans & Advances from Others	-	-
ADD : VAPL(70%)	614.38	
	990.08	1,745.95
<b>Total</b>	<b>1,623.87</b>	<b>2,228.15</b>

## Note 3.1

1. The Secured loan taken from various Bank for purchase of Vehicles & Machineries are secured by mortgage of said Vehicles and Machineries against which amount borrowed. Ownership of this vehicles are in name of promoter.

## NOTE 4

SHORT TERM BORROWINGS	As at	As at
	31 March 2024	31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Secured</b>		
(i) Working Capital Loans		
From Banks		
Axis Bank	374.12	190.06
HDFC Bank	221.52	21.73
	-	-
(ii) Current maturity of Long Term Borrowings		
From Banks	103.61	103.61
From Others	-	-
	699.25	315.40
<b>Unsecured</b>		
(i) From Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company	-	336.91
(ii) From Others	-	-
ADD : VAPL(70%)	254.70	
<b>Total</b>	<b>953.95</b>	<b>652.31</b>

## Note 4.1

1. The Bank Credit limits from Axis Bank Ltd & HDFC Bank Ltd by way of Overdraft, Letter of Credit is primarily secured by way of hypothecation of the Company's entire stocks & Book Debts, both present & future.
2. The said credit limits is further collaterally secured by maintaining liquid Securities/ FD.
3. Further, the said credit facilities is further secured by personal guarantees of All the Directors and guarantee of atleast 75% Shareholders to be obtained.

## NOTE 5

TRADE PAYABLES	As at	As at
	31 March 2024	31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(i) Micro, Small and Medium Enterprise	103.21	56.61
(i) Others	2,146.50	1,467.18
ADD : VAPL(70%) - MSME	36.77	
ADD : VAPL(70%) - Others	251.89	
<b>Total</b>	<b>2,538.37</b>	<b>1,523.79</b>

**Note 5.A TRADE PAYABLE DUE FOR PAYMENT AS AT MARCH 31, 2024**

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	139.98	-	-	-	139.98
(ii) OTHERS	2,398.39	-	-	-	2,398.39
(iii) DISPUTED DUES-					
MSME	-	-	-	-	-
(iv) DISPUTED DUES-					
OTHERS	-	-	-	-	-
<b>Total</b>	<b>2,538.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,538.37</b>

**Note 5.B TRADE PAYABLE DUE FOR PAYMENT AS AT MARCH 31, 2023**

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	56.61	-	-	-	56.61
(ii) OTHERS	1,467.18	-	-	-	1,467.18
(iii) DISPUTED DUES-					
MSME	-	-	-	-	-
(iv) DISPUTED DUES-					
OTHERS	-	-	-	-	-
<b>Total</b>	<b>1,523.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,523.79</b>

**NOTE 6**

SHORT TERM PROVISIONS	As at	As at
	31 March 2024	31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Provision for Statutory Dues</b>		
Provision for Income Tax	116.49	300.00
Gratuity Provisions	11.59	7.40
Provision for TDS	-	1.14
<b>Total</b>	<b>128.08</b>	<b>308.54</b>

**NOTE 7**

OTHER CURRENT LIABILITIES	As at	As at
	31 March 2024	31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Statutory Remittance</b>		
TDS Payable	11.27	15.37
GST Payable	41.64	0.86
	-	-
<b>(ii) Other payables</b>	11.52	38.31
ADD : VAPL(70%)	3.94	-
Minority Interest -VSL	10.36	0.15
Minority Interest - VAPL	(33.94)	
<b>Total</b>	<b>44.79</b>	<b>54.69</b>



## NOTE 9

NON-CURRENT INVESTMENTS	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Other Non Current investments</b>		
In Corporate Bonds & FDs	3,368.75	1,500.50
SBI Corporate Bond Fund	-	285.13
SBI Overnight Fund	-	10.00
UBI Bank FDR	-	0.37
AXIS Money Market Fund	-	-
Investments in Vital Alkoxide Pvt. Ltd. (Share Capital)	-	-
Investments in Vital Synthesis Pvt. Ltd. (Share Capital)	-	-
Goodwill	127.35	39.00
<b>Total</b>	<b>3,496.10</b>	<b>1,539.50</b>

## Note 9.1 Non-current investments

## Unquoted - Investment carried at cost

## Investments in equity instruments of subsidiaries

Vital Alkoxide Pvt. Ltd. [105000 equity shares of ₹ 10 each, fully paid up]

Vital Synthesis Ltd. [148500 equity shares of ₹ 10 each, fully paid up]

## NOTE 10

LONG TERM LOANS & ADVANCES	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) From Directors/ Promoters / Promoter Group / Associates / Relatives of Director / Group Company</b>	-	-
<b>(ii) From Others</b>	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## NOTE 11

OTHER NON CURRENT ASSETS	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
<b>(i) Security Deposits</b>	63.12	105.46
<b>(ii) Expenses Not W/Off</b>	-	367.00
ADD : VAPL(70%)	113.03	-
<b>Total</b>	<b>176.15</b>	<b>472.46</b>

## NOTE 12

INVENTORIES	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Raw Materials	1,012.68	989.42
Stock-in-progress	-	-
Finished goods	163.66	207.37
Consumable Stores	27.87	56.84
Packing Materials	60.34	93.00
<b>Total</b>	<b>1,264.55</b>	<b>1,346.63</b>

## NOTE 13

TRADE RECEIVABLES (Unsecured and Considered Good)	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
Less than Six Months	2,887.23	3,824.00
Others	957.82	-
LESS : Inter Company Transaction	28.03	
ADD : VAPL(70%)	110.87	
<b>Total</b>	<b>3,927.89</b>	<b>3,824.00</b>

## 13 A .TRADE RECEIVABLES AGEING SCHEDULE AS AT MARCH 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,970.07	957.82	-	-	-	3,927.89
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
<b>Total</b>	<b>2,970.07</b>	<b>957.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,927.89</b>

## 13 B .TRADE RECEIVABLES AGEING SCHEDULE AS AT MARCH 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,824.00	-	-	-	-	3,824.00
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
<b>Total</b>	<b>3,824.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,824.00</b>

## NOTE 14

CASH AND BANK BALANCES	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	38.69	49.41
<b>Bank Balances</b>		
In Current Accounts	2.42	327.12
In Deposits Accounts	-	2,674.76
ADD : VAPL(70%)	7.59	
<b>Total</b>	<b>48.70</b>	<b>3,051.29</b>

**VITAL CHEMTECH LIMITED**  
**CIN:L24299GJ2021PLC127538**  
**(Formerly Known as Vital Chemtech LLP)**

**Notes Forming Part of Statement of Profit and Loss for the year ended**  
**31st March, 2024**

**NOTE 15**

SHORT TERM LOANS AND ADVANCES	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
(Unsecured and Considered Good)		
<b>(i) Balance with Government Authorities</b>	159.11	408.24
	-	-
<b>(ii) Others (specify nature)</b>	-	-
Advances to Workers & Others	26.11	16.61
<b><u>Advance to Suppliers</u></b>	-	-
MSME	-	-
Others	83.03	467.74
ADD : VAPL(70%)	155.52	
<b>Total</b>	<b>423.77</b>	<b>892.59</b>

**NOTE 16**

OTHER CURRENT ASSETS	As at 31 March 2024	As at 31 March 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Prepaid Expenses & Advances	2.25	186.65
Advance Tax	130.00	-
ADD : VAPL(70%)	0.95	
<b>Total</b>	<b>133.20</b>	<b>186.65</b>

**NOTE 17**

REVENUE FROM OPERATION	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Sale of Goods	10,173.26	11,674.33
Less: VSL	-445.25	
Less: VAPL	-23.75	
Sale of Services	-	-
<b>Total</b>	<b>9,704.26</b>	<b>11,674.33</b>
Add: VSL(99%)	8.46	
Add: VAPL(70%)	114.66	
<b>Gross Total</b>	<b>9,827.38</b>	<b>11,674.33</b>

**NOTE 17.1**

PARTICULARS OF REVENUE FROM OPERATION	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Particular of Goods</b>		
Supply of Chemicals	10,173.26	11,674.33
<b>Particular of services</b>		
Lifting Charges	-	-
<b>Total</b>	<b>10,173.26</b>	<b>11,674.33</b>

## NOTE 18

OTHER INCOME	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Interest Income</b>		
Interest Income - Term Deposit	195.76	72.83
Interest Income - Mutual Fund	0.13	-
Interest Income -DGVCL	0.14	-
Interest Income -MSME	0.00	-
	-	-
<b>Other Income</b>	-	-
Kasar & Vatav		14.30
Duty Drawback Export Income	4.25	
Exchange Rate Fluctuations	74.11	-74.77
Frieght Outward Income	1.26	1.83
Profit on sale of Mutual Fund/ Bonds	49.52	
Profit/ Loss on sales of assets	1.27	
Interest on Income Tax Refund	4.48	
	-	-
ADD:VAPL (70%)	2.30	
<b>Total</b>	<b>333.21</b>	<b>14.20</b>

## NOTE 19

COST OF MATERIAL CONSUMED	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
Opening Stock of Raw Material	989.42	574.51
Add: Purchases During the Year	7,394.89	9,011.33
Add: Purchases During the Year-VSL	0.10	
Add: Purchases During the Year-VAPL	72.32	
Less: Closing Stock of Raw Material	997.99	989.42
Less: Closing Stock of Raw Material - VAPL	14.69	
<b>Total</b>	<b>7,444.05</b>	<b>8,596.42</b>

## NOTE 20

CHANGES IN INVENTORIES OF FINISHED GOODS, WORKI IN PROGRESS AND STOCK-IN-TRADE	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Closing Inventories</b>		
Finished goods	163.66	207.37
Work in progress		-
Consumable Stores	27.87	56.84
Packing Materials	60.34	93.00
<b>Sub Total (A)</b>	<b>251.87</b>	<b>357.21</b>
<b>Opening Inventories</b>		
Finished goods	207.37	131.14
Work in progress	-	90.20
Consumable Stores	56.84	20.23
Packing Materials	93.00	89.38
<b>Sub Total (B)</b>	<b>357.21</b>	<b>330.95</b>
<b>Total (A-B)</b>	<b>105.34</b>	<b>-26.26</b>

## NOTE 21

FINANCE COST	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Interest Expense</b>		
Interest on Bank CC/OD	21.38	19.13
Interest Expenses - Term Loan	33.71	37.91
Interest Expenses - Others	1.82	-
<b>(ii) Other Borrowing Cost</b>	56.87	55.32
ADD: VAPL(70%)	10.93	
<b>Total</b>	<b>124.71</b>	<b>112.37</b>

## NOTE 22

EMPLOYEE BENEFITS EXPENSE	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>(i) Salaries and Wages</b>	220.28	145.29
<b>(ii) Director Remuneration</b>	90.00	100.00
<b>(iii) Contributions to Provident Fund &amp; Other Fund</b>		-
Provident Fund	8.33	7.06
Gratuity	4.19	1.44
<b>(iv) Staff welfare expenses</b>		-
Staff Welfare Expenses	16.37	8.06
ADD: VAPL (70%)	26.75	
<b>Total</b>	<b>365.93</b>	<b>261.85</b>

## NOTE 23

OTHER EXPENSES	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	(Amount in Lakhs)	(Amount in Lakhs)
<b>Manufacturing Expenses</b>		
Power & Fuel	125.91	119.42
Labour Charges	28.46	14.36
Consumables Spares	301.52	-
Import Expenses	53.73	98.78
Freight Expenses	48.48	46.32
Factory Expenses	31.61	31.18
Repairing & Maintenance Expenses	19.31	14.88
ADD: VAPL (70%)	39.50	
<b>Sub Total (A)</b>	<b>648.53</b>	<b>324.94</b>
<b>Administrative Selling &amp; General Expenses</b>		
Audit fees	7.20	7.78
Advertisement Expenses		-
Consumables Expenses		287.85
Dividend	31.82	
Donation Expenses		0.51
Exhibition Expenses	34.93	15.55
Power & Fuel Expenses - Indirect	12.33	8.55
Export Expenses	5.32	6.66
Exchange Rate Differences		-
Freight Expenses	231.61	135.45
GIDC Water Charges	16.66	-
Insurance Expenses	36.04	32.96
Internet Expenses	0.34	0.56

IPO Related Expenses			39.96
Legal & professional Charges		475.92	27.99
Loading Unloading Charges		11.11	7.79
Packing Material Expenses		244.62	362.07
Registration & membership fees		13.08	14.96
Office Expenses		3.53	0.16
Repairs & Maintenance Expenses		25.54	13.84
Rent Expenses		2.04	22.54
Sales Promotional Expenses			9.23
Plant Security Expenses		10.13	7.61
Tax & Rates Expenses		2.42	0.46
Traveling Expenses		39.74	12.86
Printing & Stationery Expenses			-
Postage & Courier Expenses			-
Corporate Responsibility Expenses			21.25
Telephone Expenses		1.61	1.43
Profit/ Loss on sales of assets			1.00
Other Expenses		-	-
	<b>Sub Total (B)</b>	<b>1,205.99</b>	<b>1,039.02</b>
	<b>ADD: VAPL (70%)</b>	<b>38.01</b>	
	<b>Total(A+B)</b>	<b>1,892.53</b>	<b>1,363.94</b>
<b>SR No</b>	<b>AUDIT FEES</b>	<b>Year Ended 31st March, 2024 (Amount in Lakhs)</b>	<b>Year Ended 31st March, 2023 (Amount in Lakhs)</b>
	<u>Payments to the auditor as</u>		
1	auditor,	7.20	7.78
2	for taxation matters,		
3	for company law matters,		
4	for management services,		
5	for stock audit charges		
6	for other services,		
7	for reimbursement of expenses;		
	<b>Total</b>	<b>7.20</b>	<b>7.78</b>

NOTE 8

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block			
	As at 31st March 2023	Additions/ (Disposals)	Revaluations/ (Impairments)	As at 31st March 2024	As at 31st March 2023	Depreciation charge for the year ended 31st march 2024	Adjustments	On disposals	As at 31st March 2024	As at 31st March 2023
Land	1,040.22	32.98		1,073.20	-	-	-	-	1,073.20	1,040.22
Buildings	327.26	1,645.71		1,972.97	38.04	48.56	-	-	1,886.38	289.23
Automation and Instruments	38.71	5.29		44.00	9.17	5.89	-	-	28.94	29.54
Computer and Systems	21.41	4.14		25.55	8.95	9.16	-	-	7.45	12.46
Electricals, Pipes-Valves and Pumps	156.32	138.69		295.01	45.46	40.38	-	-	209.16	110.86
Fire Hydrant Systems	13.51	17.06		30.57	3.42	2.00	-	-	8.08	10.09
Furnitures and Fixtures	11.17			11.17	3.48	2.56	-	-	22.19	7.69
Instruments	15.08			15.08	3.15	2.24	-	-	9.69	11.93
Laboratory Equipments	0.96	6.77		7.73	0.37	0.60	-	-	6.76	0.59
Machineries and Equipments	491.62	384.09		875.71	107.10	89.62	-	-	679.00	384.52
Utilities	126.98	206.99		333.97	28.22	29.80	-	-	275.95	98.76
Vehicles	157.52	-16.92		140.60	53.98	32.50	-	13.70	67.82	103.54
Mobile	0.19			0.19	-	-	-	-	0.19	0.19
Work in Progress	358.60	-358.60		-0.00	-	-	-	-	-0.00	358.60
<b>TOTAL</b>	<b>2,759.56</b>	<b>2,066.20</b>	<b>-</b>	<b>4,825.76</b>	<b>301.35</b>	<b>263.30</b>	<b>-</b>	<b>13.70</b>	<b>4,274.80</b>	<b>2,458.21</b>



## CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS ON 31st MARCH, 2024

### NOTE 24:

#### A. COMPANY INFORMATION

Our Company was originally incorporated as a private limited company on November 11, 2013, as 'Rudra Chemtech Private Limited', under the provisions of the Companies Act, 1956. Subsequently, Our Company was converted to Limited Liability Partnership Firm as 'Rudra Chemtech Limited Liability Partnership' having duly passed the necessary resolution in terms of Rule 20(1) of the LLP Rules, 2009 on February 12, 2015, under the LLP Act, 2008. Thereafter, on February 20, 2015, name was changed to 'Vital Chemtech Limited Liability Partnership' pursuant to Rule 20(3) of the LLP Rules, 2009. Later on, our Limited Liability Partnership was converted to Public Limited Company under section 366 Part I chapter XXI of the Companies Act, 2013 as 'Vital Chemtech Limited' and fresh Certificate of Incorporation consequent upon Conversion from Limited Liability Partnership to Public Limited Company dated November 25, 2021, was issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The Corporate Identification Number (CIN) of the Company is L24299GJ2021PLC127538 and the Permanent Account Number (PAN) of the Company is AAICV4201F.

Company is engaged in manufacturing, producing, refining, processing, formulating, mixing, enriching, mining, importing, exporting, acquiring, inventing, buying, selling, exchanging, distributing and otherwise trading and dealing in all kinds of mixtures, formulations, intermediates, derivatives, compounds, phosphorous based chemicals, fine chemicals, heavy chemicals, valence, inorganic and organic chemicals, source materials, intermediates, ingredients, mixtures, derivatives and compounds thereof and to carry on the business of chemical merchants, agents, distributors, suppliers in any or more of the above objects.

#### B. SIGNIFICANT ACCOUNTING POLICIES FOR PREPARATION OF FINANCIAL STATEMENTS

##### B.1 Accounting Convention

The consolidated financial statement have been prepared under the historical cost convention on the "Accrual Concept" except for certain financial instruments which are measured at fair values and Going Concern assumptions of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

Accounting policies have been consistently applied, except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Ruppees in Lakhs as per the requirement of division II of Schedule III, unless otherwise stated.

##### B.2 Use of Estimates and Judgements

The preparation of consolidated financial statements requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities on the date of the consolidated financial statement and the reported amount of revenues and expenses during the reporting period. The application of accounting policies that require critical accounting estimates, which involve complex and subjective judgments and the use of assumptions in these financial statements, have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

##### B.3 Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria:

- i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
- ii. It is held primarily for the purpose of being traded.
- iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

### **C. Basis of Preparation**

#### **1) Presentation and Disclosure of Consolidated Financial Statements**

These consolidated financial statements have been prepared as per "Schedule - III" notified under the Companies Act, 2013. The Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the current year.

#### **2) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition / construction is included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

#### **3) Depreciation**

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets and depreciation rates as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

#### **4) Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss.

Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

#### **5) Investments**

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

#### **6) Inventories**

Inventories consist of Raw Materials, Stock Work-in-Progress and Finished Goods are valued at Cost or Net Realizable Value, whichever is lower.

#### **7) Revenue Recognition**

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments,

net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

Sale of goods is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat, GST and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis.

The capital gains on sale of investment if any are recognized on completion of transaction. No notional profits/losses are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

Dividend from investments in shares / units is recognized when the Companies right to receive payment is established.

Other items of Income are accounted as and when the right to receive arises.

### **8) Borrowing Cost**

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipment's are capitalized as a part of cost of that property, plants and equipment's. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 "Borrowing Costs". Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such property, plants and equipment's if they are directly attributable to their acquisition or charged to the Consolidated Statement or Profit and Loss.

### **9) Employee Benefits**

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of 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 & loss account for the year in which the liabilities are crystallized.

### **10) Taxes on Income**

Income tax expenses for the year comprises of current tax and deferred tax.

Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act.

Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

### **11) Foreign Currency Transaction**

i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate.

ii. Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

### **12) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. There are no contingent liabilities as on March 31, 2024.

**13) Related Party Disclosure**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.

**14) Accounting for Leases**

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

i. Operating Lease: - Rental payable under the operating lease are charged to the Consolidated Statement of Profit and Loss on a Straight-line basis over the term of the relevant lease.

ii. Finance Lease: - Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

**15) Cashflow**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

**16) Earnings Per Share**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti-Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

**17) Discontinuing Operations**

During the year the company has not discontinued any of its operations.

**18) Event after Reporting Date**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the consolidated financial statement of the Company by the board of directors on May 29, 2024 have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

**19)** The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.

20) Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

21) Balances of Trade Payables, Trade Receivable and Loans and Advances are subject to confirmations and reconciliation if any, by the respective parties.

22) The account balances existing at the beginning of the period have been relied upon the audited financial statements.

23) Amounts are in lakhs except units are in actual numbers wherever required considered accordingly for respective computations.

#### 24) Segment Reporting

The company is dealing in primary segment i.e. manufacturing of all kinds of chemicals and secondary segment of trading. Company does not have distinguishable component of an enterprise that is engaged in providing an individual product or service and that is subject to risks and returns that are different from those of other business segment.

#### 25) Statement of Management

i. The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

ii. Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

#### 26) Post Employment Benefits:

The Company has valued its obligations related to Gratuity as follows:

(Rs. in lakhs except units are in actual numbers)

ASSUMPTIONS	For the Period Ended on March 31, 2024
Discount Rate	7.1%
Expected Rate of Salary Increase	6%
Attrition Rate	5% to 1%
Mortality Rate	IALM (2012-14) ULT
Retirement	60 Years
CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS	For the Period Ended on March 31, 2024
Defined Benefit Obligation at beginning of the year	7.40
Current Service Cost	3.50
Interest cost	0.53
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.36
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	(0.19)

Defined Benefit Obligation as at end of the year	11.59
<b>AMOUNT RECOGNIZED IN THE BALANCE SHEET:</b>	<b>For the Period Ended on March 31, 2024</b>
Net liability as at beginning of the year	7.39
Net expense recognized in the Statement of Profit and Loss	4.20
Expected Return on Plan Assets	
Net liability as at end of the year	11.59
<b>EXPENSE RECOGNIZED:</b>	<b>For the Period Ended on March 31, 2024</b>
Current Service Cost	3.50
Interest Cost	0.53
Return on Plan Assets	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.36
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	(0.19)
Expense charged to the Statement of Profit and Loss	4.20
<b>BALANCE SHEET RECONCILIATION:</b>	<b>For the Period Ended on March 31, 2024</b>
Opening net liability	7.39
Expense as above	4.20
Provision Related to Previous Year booked as Prior Period Items	

#### 27) Foreign Currency Transaction (AS 11)

Foreign currency transaction includes Import and Export as per Accounting Standard – 11 as at the end of the year/period is reported as under.

Particulars	For the Period Ended on March 31, 2024
<b>Foreign Exchange Earnings</b>	
<b>Sales</b>	
Receipts in Foreign Currency	61.93
FOB Value of Exports	114.20
<b>Foreign Exchange Outgoings</b>	
<b>Purchase</b>	
Payments in Foreign Currency	5368.69
CIF Value of Imports	7793.15

**28) Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended.

**Name of Related Parties and description of relationship**

<b>Sr. No.</b>	<b>Name of Related Parties</b>
	<b>Key Management Personnel's / Related Party</b>
1.	Vipul Bhatt : Managing Director
2.	Sangeeta Vipul Bhatt : Wholetime Director (Spouse)
3.	Jay Bhatt : Wholetime Director (Son)
4.	Keyaa Vipul Bhatt (Daughter)
5.	Late Jatashankar Ambalal Bhatt (Father)
6.	Late Kumudben Jatashankar Bhatt (Mother)
7.	Hitesh Jatashankar Bhatt ( Brother)
8.	Chhaya Akshay Pandya (Sister)
9.	Ketki Dilip Pandya (Sister)
10.	Harshadrai Pranlal Trivedi (Spouse's Father)
11.	Ushaben Pranlal Trivedi (Spouse's Mother)
12.	Kirti Harshadrai Trivedi (Spouse's Brother)
13.	Ketki Ajay Oza – CFO
	<b>Associate Concerns</b>
1.	Vital Chemicals (Proprietor: Vipul Bhatt)
2.	Vital Wellness Limited
3.	Valentia Synthesis Private Limited
4.	Neo Fine Chemical Industries
5.	Vital Dye Chem Industries (Vipul Bhatt - HUF)
6.	Ambica Packaging Industries (Proprietor: Hitesh Bhatt)
7.	Jay Innovative Solution (Proprietor: Jay Bhatt)
8.	Shakti Enterprise (Proprietor: Sangeeta Bhatt)
9.	Vipul Jatashankar Bhatt - HUF ( Karta: Vipul Bhatt)
	<b>Subsidiary Company</b>
1.	Vital Synthesis Limited
2.	Vital Alkoxides Private Limited



• Vital Chemtech Limited

(Rs in Lakhs)

Sr. No.	Nature of Transaction	Name of Related Parties	For the Period Ended on March 31, 2024
<b>I</b>	<b>Directors Remuneration</b>		
		Vipul Bhatt	84.00
		Sangeeta Vipul Bhatt	36.00
		Jay Vipul Bhatt	60.00
<b>II</b>	<b>Loan Received (Paid) during the Year to Related Parties</b>		
		<b>Vipul Bhatt</b>	
		Opening Balance	889.95
		Loan Received during the year	253.50
		Loan Paid during the year	(896.70)
		Closing Balance	246.75
		<b>Sangeeta Vipul Bhatt</b>	
		Opening Balance	262.37
		Loan Received during the year	30.00
		Loan Paid during the year	(179.40)
		Closing Balance	112.97
		<b>Jay Vipul Bhatt</b>	
		Opening Balance	83.48
		Loan Received during the year	77.00
		Loan Paid during the year	(145.00)
		Closing Balance	15.48
		<b>Valentia Synthesis Private Limited</b>	
		Opening Balance	509.29
		Loan Received during the year	440.00
		Loan Paid during the year	(949.29)
		Closing Balance	0.00
		<b>Vital Synthesis Limited</b>	
		Opening Balance	0.05
		Loan Received during the year	473.18
		Loan Paid during the year	(1421.13)
		Closing Balance	(947.90)
		<b>Vital Alkoxides Private Limited</b>	
		Opening Balance	(130.00)
		Loan Received during the year	337.11
		Loan Paid during the year	(671.44)
		Closing Balance	(464.33)

<b>III</b>	<b>Sales</b>		
		Vital Chemicals	180.07
		Vital Alkoxides Pvt Ltd	28.03
<b>IV</b>	<b>Professional Consultancy</b>		
		Vital Synthesis Ltd	525.40

- **Vital Synthesis Limited**

(Rs in Lakhs)

Sr. No.	Nature of Transaction	Key management personnel & their relatives	Enterprises where key management personnel or their relatives exercise significant influence
<b>I</b>	<b>Loan &amp; Advance taken during the year</b>		
	Vipul Bhatt	0.50	

- **Vital Alkoxides Private Limited**

(Rs in Lakhs)

Sr. No.	Nature of Transaction	Key management personnel & their relatives	Enterprises where key management personnel or their relatives exercise significant influence
<b>I</b>	<b>Loan Received/Accepted during the year</b>		
	Vipul Bhatt	-	-
	Jay V Bhatt	-	-
	Krishna Prasad Narra	199.00	-
	Sangeeta Bhatt	-	-
	Valentia Synthesis Private Limited	-	678.68
<b>II</b>	<b>Director Remuneration</b>		
	Krishna Prasad Narra	30.00	-

**2) Notes forming part of accounts in relation to Micro and small enterprise**

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below:

Sr. No.	Particulars	Year ended on 31st March, 2024		Year ended on 31st March, 2023	
		Principal	Interest	Principal	Interest
1	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil
2	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
3	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
4	The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

**3) Defined Contribution Plan :-**

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below: Contribution to Defined Contribution Plans, recognized as expenses for the year is as under:

Particulars	(Rs in Lakhs)	
	2023-24	2022-23
Employer's Contribution to Provident Fund	8.33	6.82

**4) Title deeds of immovable property:-**

Title deeds of immovable property have not been held in the name of promoter, director, or relative of promoter/ director or employee of promoters / director of the company, hence same are held in the name of the company.

**5) Revaluation of property, plants and equipment's:-**

The Company has not revalued its Property, Plant and Equipment for the current year.

**6) Intangible assets under development:-**

There are no Intangible assets under development in the current year.

**7) Details of Benami property held :-**

The company does not hold any benami property under the Benami Transaction (prohibition) act, 1988 and the rules there made under. Hence any proceeding has not been initiated or pending against the company for holding any benami property under the Benami Transaction (prohibition) act, 1988 and rules made there under.

**8) Borrowings from bank or financial institution on the basis of current assets :-**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts. -

**9) Wilful Defaulter :-**

The company has not been declared as wilful defaulter by any bank or financial institution or government or government authority during the year reporting period.

**10) Relationship with struck off companies :-**

The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of companies act, 1956.

**11) Registration of charges or satisfaction with Registrar of companies :-**

The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

**12) Compliance with number of layers of companies :-**

The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

**13) Compliance with approved scheme of Arrangements:-**

Company does not have made any arrangements in terms of section 230 to 237 of company's act 2013, and hence there is no deviation to be disclosed.

**14) Utilization of borrowed funds and share premium:-**

As on March 31, 2024, there is no unutilized amount in respect of any issue of securities and long-term borrowing from banks and financial institution. The borrowed funds have been utilized for the specific purpose for which the funds were raised.

**15) Corporate social responsibility (CSR).**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	2023-24	2022-23
Contribution for Corporate Social Responsibility	22.10	21.25

**16) Details of crypto currency and virtual currency.**

The company has not traded or invested in crypto currency or virtual currency during the financial year.

**17)**

i. No funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 18) Trade Payable Ageing Summary

31.03.2024

(Rs in Lakhs)

Particulars	Outstanding for following periods from due date of payment / Invoice date					Total
	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	>180 Days	
(i) MSME	59.86	47.05	22.17	7.26	3.64	139.98
(ii) Others	1229.64	586.06	544.58	30.36	7.75	2398.39

## 19) Trade Receivable Ageing Summary

31.03.2024

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of receipts / Invoice date					Total
	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	>180 Days	
(i) From Directors/ Relatives/ Associates	-	-	-	-	-	-
(ii) Others	1236.71	792.46	390.72	550.19	957.82	3927.89

## 20) Accounting for Preliminary Expenses (AS 26)

The company has not incurred any preliminary expenses during the year.

## 21) Accounting Ratios:

S. No.	Particulars	March 31, 2024
(a)	Current Ratio	1.58
(b)	Debt-Equity Ratio	0.31
(c)	Debt Service Coverage Ratio	-0.32
(d)	Return on Equity Ratio (in %)	-1.50%
(e)	Inventory Turnover Ratio (in times)	5.78
(f)	Trade Receivables Turnover Ratio (in times)	2.54
(g)	Trade Payables Turnover Ratio (in times)	3.64
(h)	Net Capital Turnover Ratio (in times)	0.93
(i)	Net Profit Ratio (in %)	-1.33%
(j)	Return on Capital Employed (in %)	0.19%
(k)	Return on Investment (in %)	-1.23%

Particulars	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Debt	Equity
Debt Service Coverage Ratio	Earnings available for Debt Services	Total Debt Service
Return on Equity Ratio	Profit After Tax	Average Shareholder's Fund
Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory
Trade Receivables turnover ratio (in times)	Revenue from Operation	Average Trade Receivables
Trade payables turnover ratio (in times)	Purchases	Average Trade Payables
Net capital turnover ratio (in times)	Revenue from Operation	Average Capital Employed
Net profit ratio	Net Profit After Tax	Revenue from Operation
Return on Capital employed	Earning before Interest and Taxes	Average Capital Employed
Return on investment.	Net Profit After Tax	Average Capital Employed

**As per our Report of Even Date attached**

**For, Abhishek Kumar & Associates**

Chartered Accountants

FRN: 130052W

**CA ABHISHEK AGARWAL**

Proprietor

Membership No. 132305

**Date : May 29, 2024**

**Place : Ahmedabad**

**For & on behalf of Board of Directors  
Vital Chemtech Limited**

**VIPUL BHATT**

CHAIRMAN & MANAGING DIRECTOR  
DIN: 06716658

**JAY BHATT**

WHOLE TIME DIRECTOR  
DIN: 09363173

**KETKI AJAY OZA**

CFO

**CHINMAY TIKENDRAKUMAR CHOKSHI**  
COMPANY SECRETARY