



**EYE ON THE
FUTURE**

VIPUL ORGANICS LIMITED
ANNUAL REPORT **2022-2023**

Corporate Information

BOARD OF DIRECTORS

Mr. Vipul P. Shah	(Managing Director)
Mr. Mihir V. Shah	(Whole-Time Director & Chief Financial Officer)
Dr. Shiv Nath Sahai	(Non-Executive Director)
Mr. Jagdeep Y. Mehta	(Independent Director)
Mr. Prasannakumar B. Gawde	(Independent Director)
Mrs. Megha S. Bhati	(Independent Director)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Dheerendra Verma (w.e.f. 11th August, 2022)
Mrs. Krina Sanghvi (upto 30th July, 2022)

STATUTORY AUDITORS

M/s. J. A. Rajani & Co.,
Chartered Accountants, Mumbai

SECRETARIAL AUDITORS

M/s. M Baldeva Associates
Company Secretaries, Thane

BANKERS

Bank of Baroda
Axis Bank

REGISTERED OFFICE

102, Andheri Industrial Estate,
Off. Veera Desai Road, Andheri (West),
Mumbai – 400053
Tel. No.: 022 – 66139999
Email ID: companysecretary@vipulorganics.com
Website: www.vipulorganics.com
CIN: L24110MH1972PLC015857

CORPORATE OFFICE:

B 603-A, Kaledonia, Sahar Road,
Off. W. E. Highway, Andheri (East),
Mumbai – 400069

REGISTRAR AND SHARE TRANSFER AGENTS

Bigshare Services Private Limited
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai - 400093, Maharashtra
Tel. No.: 022-62638200; Fax No.: 022-62638299
Email ID: investor@bigshareonline.com
Website: www.bigshareonline.com

PLANT LOCATION

Plot No. 11/12, Survey No. 35,
Diwan & Sons Industrial Estate,
Village Aliyali, Palghar (West),
Dist. Thane - 401 404, Maharashtra

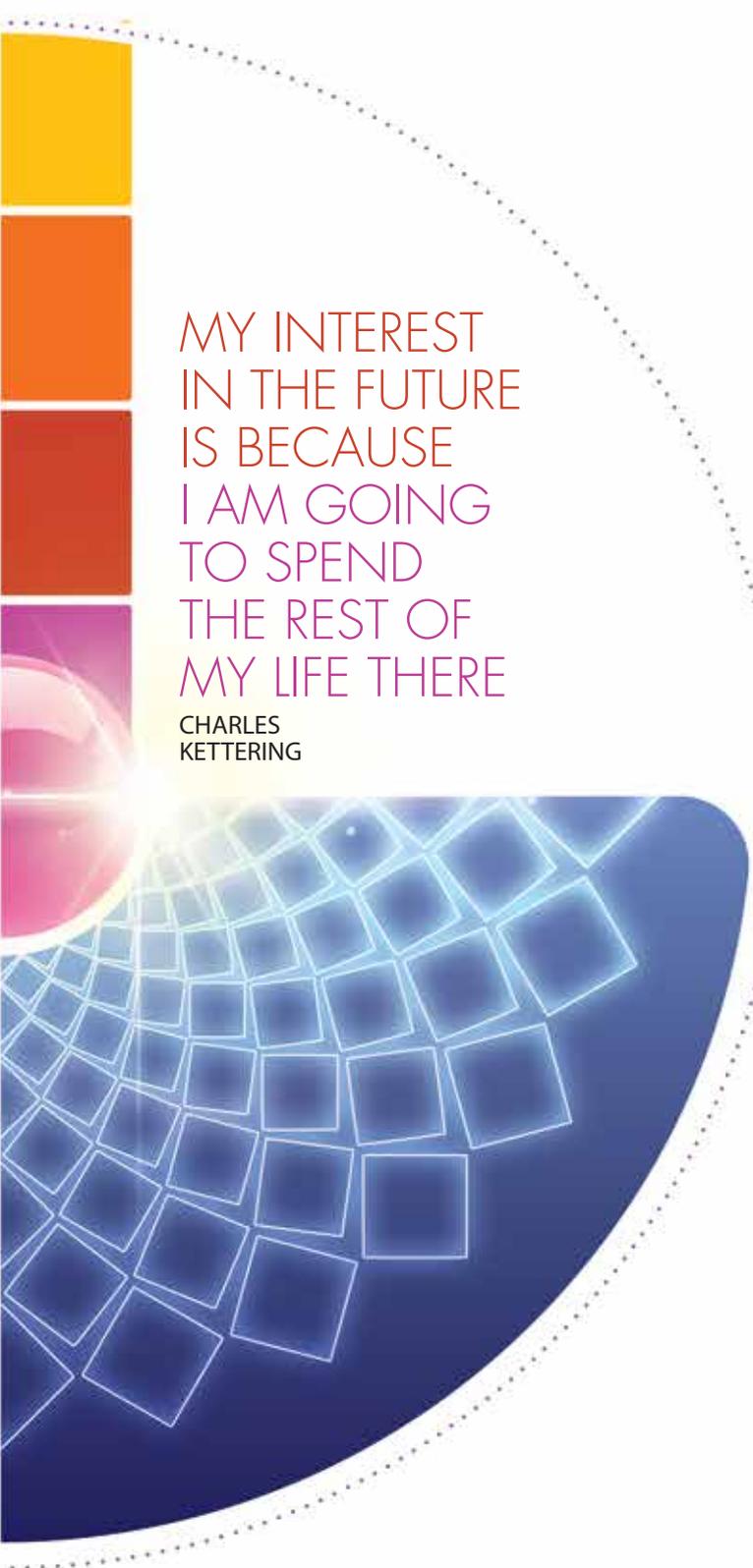
Plot No. T-115, MIDC Industrial Area,
Tarapur, Village Pam, Boisar (West),
Dist. Palghar - 401 506, Maharashtra

Plot No. A-14, MIDC
A.M.P Road, Ambarnath (West),
Dist. Thane - 421 501, Maharashtra

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MY INTEREST
IN THE FUTURE
IS BECAUSE
I AM GOING
TO SPEND
THE REST OF
MY LIFE THERE

CHARLES
KETTERING

WE ARE
CELEBRATING 50+
YEARS OF COLOUR;
OUR SUCCESSES
AND LEARNINGS IN
EQUAL MEASURE.

HAVING MADE IT THIS FAR, WE
CANNOT REST ON OUR LAURELS.
FOR WHAT WORKED THEN WILL
NOT WORK NOW. INVALUABLE
PRODUCTS OF THE PAST HAVE
LOST THEIR VALUE TODAY.
SECTORS THAT WERE SUNRISE
THEN, HAVE LOST THEIR COLOUR
NOW.

TO MAKE IT
THROUGH THE
NEXT 50 YEARS
OF SPREADING
COLOUR, WE NEED
TO EVOLVE TO STAY
AHEAD OF TRENDS.

WE NEED TO ENSURE THAT
OUR STRATEGIES AND MODELS
PRODUCE PRODUCTS AND
SOLUTIONS THAT MAKE
TOMORROW MORE COLOURFUL
THAN TODAY.

WE NEED TO HAVE OUR EYE ON
THE MORROW. BECAUSE THAT IS
WHERE OUR FUTURE RESIDES.





WHAT DO OUR
FUTURE
PROSPECTS
LOOK LIKE?

GLOBAL OPPORTUNITIES

THE global opportunities over the medium-term are considerably alluring. Because the world at large has maneuvered very well through prevailing geo-political fragilities and restrictive trade policies. Case in point: Europe adjusted better and faster than expected to the energy crisis arising out of the human armed conflict.

While IMF's latest World Economic Outlook forecasts that growth will slow from 3.4% in 2022 to 2.8% in 2023. Nevertheless, it expects the global economy to progress by around 3% over the next five years. Aligned to the global economic progress, our key user sectors are also likely to experience healthy growth over the next 4-5 years.

US\$ 1,522.3bn

The **Global Textile Market** was valued at US\$ 1,005.2 billion in 2020 which is expected to reach US\$ 1,522.3 billion by 2027 at a CAGR of 4.3% from 2020-2027

SOURCE: researchandmarkets.com

US\$ 1,293.1bn

The **Global Paper Products Market** experienced remarkable growth, surging from US\$ 974.14 billion in 2022 to US\$ 1036.59 billion in 2023, with an impressive growth of 6.4%. The market is expected to continue its upward trajectory, projecting a value of US\$ 1293.15 billion by 2027, with a CAGR of 5.7%

SOURCE: researchandmarkets.com

US\$ 90.09bn

The **Global Leather Goods Market** is forecasted to grow to US\$ 90.98 billion during 2022-2027, accelerating at a CAGR of 6.24% during the forecast period

SOURCE: researchandmarkets.com

US\$ 278.4bn

The **Global Paints & Coatings Market** was valued at US\$ 175.8 billion in 2021, and is projected to reach US\$ 278.4 billion by 2031, growing at a CAGR of 4.7% from 2022 to 2031

SOURCE: researchandmarkets.com

US\$ 20.0bn

The **Global Printing Ink Market** is worth US\$ 17.57 billion in 2023. At a likely CAGR of 2.69% it is expected to touch US\$ 20.06 billion in 2028

SOURCE: www.mordorintelligence.com

THE INDIAN PROMISE

In a post-Covid world, among several headwinds, India is one of the most sought-after investment destinations for global entrepreneurs owing primarily to India's awesome consumption story and massive spending

for infrastructure development which are driving the economic growth in the country.

Both factors are likely to lead to a healthy uptick in our key business verticals in the near future.

US\$ 387.3 bn

The **Indian Textile & Apparel Market** size reached US\$ 172.3 Billion in 2022. It is expected to touch US\$ 387.3 Billion by 2028, exhibiting a growth rate (CAGR) of 14.59% during 2023-2028

SOURCE: www.imarcgroup.com

US\$ 31.41 bn

The **Indian Paper & Pulp Market** was valued at US\$ 11.48 billion in 2021, and is expected to reach US\$ 31.41 billion by 2029, at a CAGR of 13.4% during this period

SOURCE: www.maximizemarketresearch.com

US\$ 13.75 bn

The **Indian Paints & Coatings Market** size is estimated at US\$ 8.78 billion in 2023, and is expected to reach US\$ 13.75 billion by 2028, growing at a CAGR of 9.38% during the forecast period (2023-2028)

SOURCE: www.mordorintelligence.com

US\$ 126 bn

The Government of India intends to take the **Indian Plastic Industry** from a current level of ₹3 lakh crore (US\$ 37.8 billion) of economic activity to ₹10 lakh crore (US\$ 126 billion) in four to five years

SOURCE: www.ibef.org

US\$ 311.2 bn

The **Indian Rubber Products Market** for Civil Construction Industry is expected to grow at a CAGR of 7.1% from 2022 to 2029 to reach \$311.2 billion by 2029



The background is a vibrant, abstract composition. It features large, overlapping circles in shades of pink, orange, and yellow, resembling bubbles or cells. On the left side, there are dynamic splashes of red, orange, and teal ink, creating a sense of movement and energy. The overall color palette is warm and bright, with a soft, ethereal glow.

AT VIPUL,
WHAT ARE WE DOING TO
CAPITALISE
ON EMERGING
OPPORTUNITIES?

WE ARE INVESTING IN A **GREENFIELD FACILITY**

WE are setting up a facility at Saykha, Gujarat for manufacturing pigment and pigment intermediates which will be commissioned in a phased manner. Our land parcel of about 26,000 sq mtrs, gives us the opportunity to consolidate our pigment production in one location - providing the benefit of economies of scale. Our facility's proximity to Dahej provides us with the vital gateway to global markets.



WE HAVE LAUNCHED A NEW PRODUCT RANGE

WE have forayed into Paper focused Dispersions and Dyes. Paper dyes are dyes used to change or add to the colour of paper.

The global Paper Dyes market size was at USD\$ 1.03 billion in 2022 and is expected to grow to US\$ 1.47 billion by 2029, at a CAGR of 4.20%. Paper dyes market is going to be the fastest growing amongst Dyes and Pigments. It is expected that almost 43% of it will be dominated by the Asia Pacific region.

According to Invest India, the packaging market is one of the most important growth drivers for the paper dyes market. The packaging paper and cardboard segment should account for approximately 35.7% of the total packaging industry and is expected to reach USD\$ 1.05 trillion in 2024.

The market for paper dyes is expected to expand primarily due to the rising demand for cardboard from various sectors for packing reasons. In addition, the booming e-commerce sector and meal delivery services will support the expansion of this market.

Vipul Organics has already launched its complete range of products under two categories:

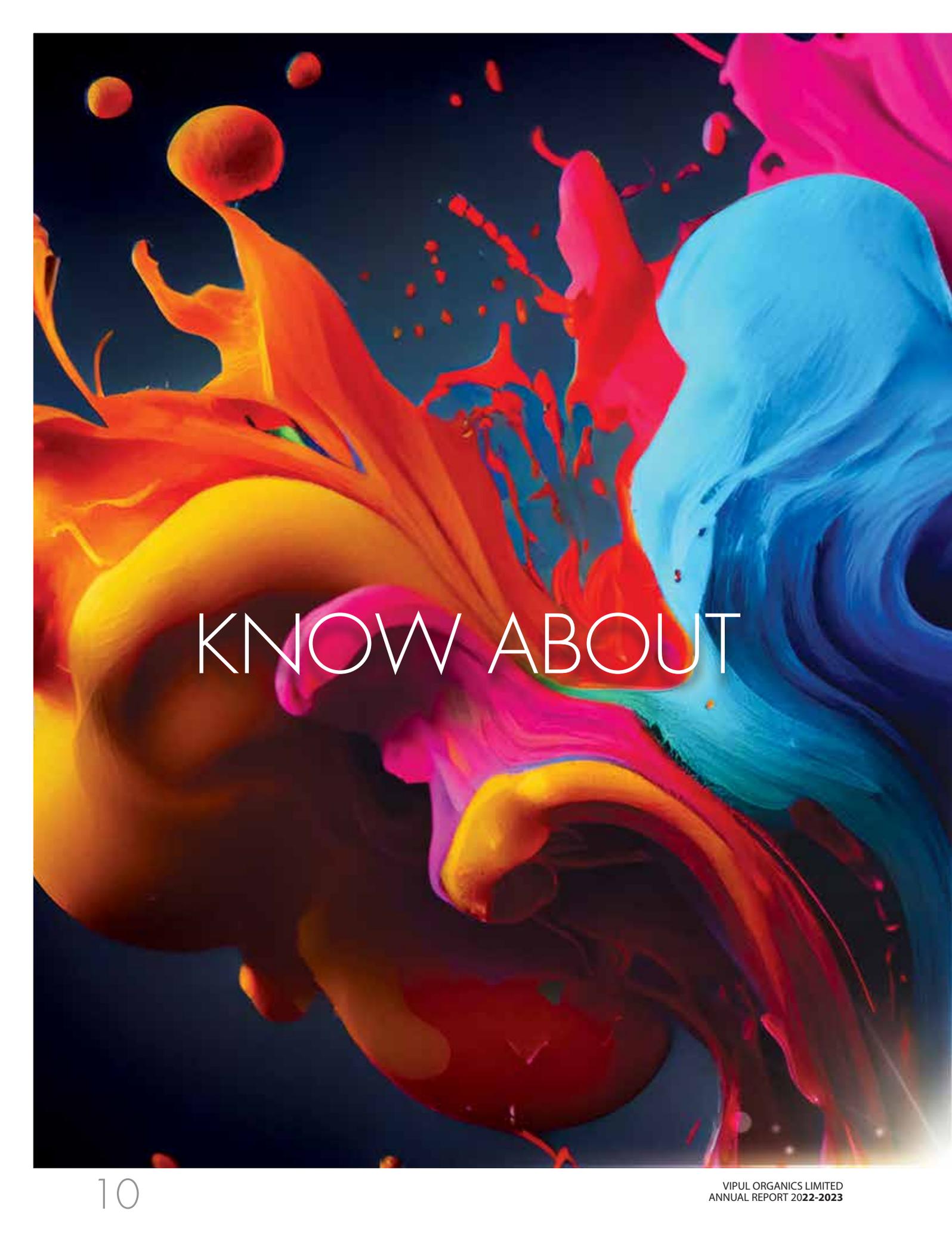
SunPulp® Dispersions: This range of pigment dispersions is developed exclusively for paper application

SunDirect® Dyes: This range of Direct Dyes is for paper coating application

SunPULP®
Pigment Dispersions
For Paper & Pulp Coating

SunDIRECT®
Direct Dyes

Since its launch, the company has added leading players such as Tamil Nadu Paper Limited, Andhra Paper, etc. as customers.

An abstract, vibrant image featuring a splash of liquid in various colors including orange, yellow, red, pink, and blue against a dark background. The liquid forms dynamic, flowing shapes with some droplets suspended in the air.

KNOW ABOUT

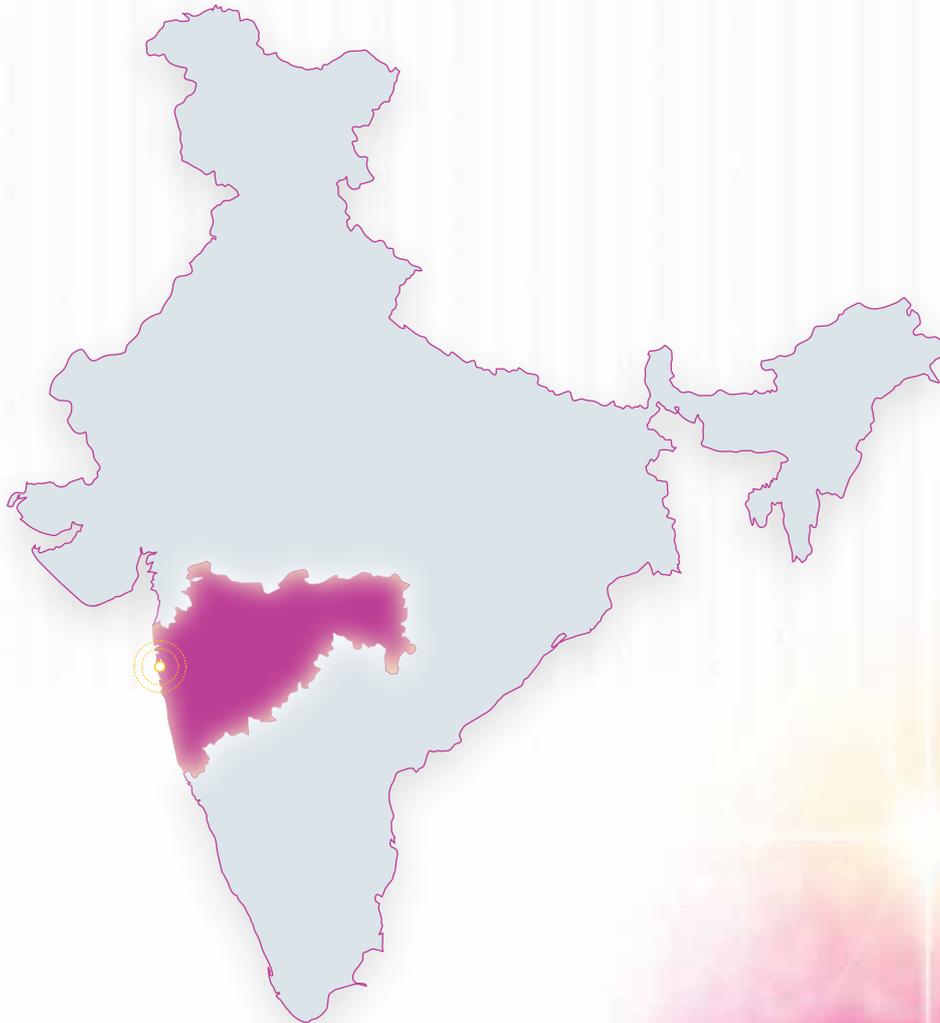


VIPUL ORGANICS

VIPUL ORGANICS LIMITED IS ONE OF INDIA'S **LARGEST MANUFACTURERS OF PIGMENTS AND PIGMENT DISPERSIONS**

H **EADQUARTERED** in Mumbai, the Company manufactures a wide array of products comprising pigment powder, pigment dispersion, leather dyes, naphthol's, fast colour bases, and fast colour salts & dyes which caters to a wide range of user sectors namely printing ink, Cosmetics & Food Industry, Paper, Paint, Plastic, Leather and Textiles.

The Company's day-to-day operations are overseen by a group of enthusiastic and knowledgeable professionals, helmed by Mr. Vipul P. Shah. The Company is keenly focused on adopting sustainable manufacturing processes and is making sizeable investments towards environment protection.





Make each individual's life on the planet colorful with our wide palette of colors



To develop and nurture long lasting business relationships with our customers by increasing the ambit and application of our Colors, providing best quality and cost-effective coloring solutions that meet the changing needs of our global clients.

VIPUL ORGANICS IN NUMBERS

50+

Experience in the sector
(Years)

3

Manufacturing facilities

350+

Team size, March 31, 2023

22+

Distributors

50+

Global presence (Nations)

13,393.25

Revenue from Operations,
FY23 (₹ in lakh)

187.20

Profit After Tax, FY23
(₹ in lakh)

5,301.10

Networth, FY23 (₹ in lakh)

11,626.77

Market Capitalisation as on
March 31, 2023 (₹ in lakh)



OUR CURRENT POSITION IN THE DOMESTIC MARKET

Top 5*

in production of AZO organic pigments

Top 5*

in pigment dispersion

Top 2*

in pigment dispersion for paper

Top 3*

in production of Naphthol

No. 1*

in production of Fast Salt and Fast Base



*Industry Estimates

OUR JOURNEY



1968

Set up first manufacturing company Kaveri Chemicals in Thane



1972

Set up of Vipul Dyechem, Navi Mumbai



1980

Initiated exports with a customer in Indonesia



1984

The Navi Mumbai unit was consolidated with the Ambernath facility



1987

Set up the Palghar facility

1996

The Vapi plant was consolidated with the Palghar facility



1995

Graduated into a certified Export House



1994

The Thane plant was consolidated with the Ambernath facility



1993

Set up of Ortho Dianiside Plant (Now World's Largest)



1988

Set up the Vapi facility.





1998

Set up of Ambernath plant



2000

Entered the European market



2001

Entered the US market



2017

Renamed as **Vipul Organics Ltd.**



2019

Transformed into a Digital enterprise with the implementation of SAP

2023

Received multiple certifications:

- DHC certificate
- OEKO-TEX® ECO PASSPORT Certificate
- REACH Certificate



2022

Certified with the ISO 45001:2018 & ISO 14001: 2015 certifications



2021

Acquired the Saykha plot in Gujarat



2020

Commenced operations at the Tarapur facility



DOWN THE **GENERATIONS**



THE **START**

In 1968, under the stewardship of Mr. Pravinchandra B Shah, Vipul Group of companies began its Naphthol, Fast colour bases and dye intermediates business. What began as a small venture, expanded at a rapid pace and set up its manufacturing facility at Thane, outskirts of Mumbai.

STEPPING INTO HIS **FATHER'S SHOES**

In 1989, Mr. Vipul P Shah, joined the Company, after completing his Chemical Engineering. He was the one who really gave wings to the Company's growth story. Under him, Vipul Organics ventured into the pigments segment, making it a holistic Dyes and Pigments company.



ONBOARDED THE **NEXT GENERATION**

In 2015, the third generation of the promoters, Mr. Mihir V Shah, joined the Company, after completing his B.Pharm and MBA from Narsee Monjee Institute of Management Studies (NMIMS). Mr. Mihir V. Shah is responsible for increasing the domestic presence of the Company and opening new categories of business such as Paper, Agriculture, Cosmetics etc.

THE MANUFACTURING INFRASTRUCTURE

VIPUL Organics has its facilities in areas that are in close proximity to Mumbai, allowing it to connect seamlessly with global customers. The facilities are equipped with cutting-edge technology and equipment, which allows for quick turnaround time to meet client demands. In its 50+ year journey, the Company has grown into a large and respected organization both globally and in the domestic markets.



PALGHAR

Located just 80 km from Mumbai, Vipul Organics has 3 factories at Palghar with provisions to produce products such as OrthoDianisidine (Di Hcl), OT Base, 5COT (Red TR), Fast Bases, Vat Dyes, and Pigment Intermediates.



This unit is one of the world's largest facility for producing Blue B Base.



TARAPUR

Situated within a short distance from Palghar and about 100 km north of Mumbai, the unit here exclusively works on manufacturing pigment powder and pigment dispersions.



This is one of the largest Zero Liquid Discharge Plant in pigments.



AMBERNATH

This facility is equipped with latest equipment, technology and highly skilled manpower to manufacture the best naphthols, pigment powders, pigment dispersions, reactive dyes, acid dyes, and direct dyes. Ambernath is just 60 km south of Mumbai and is well connected to Mumbai by rail and road routes.

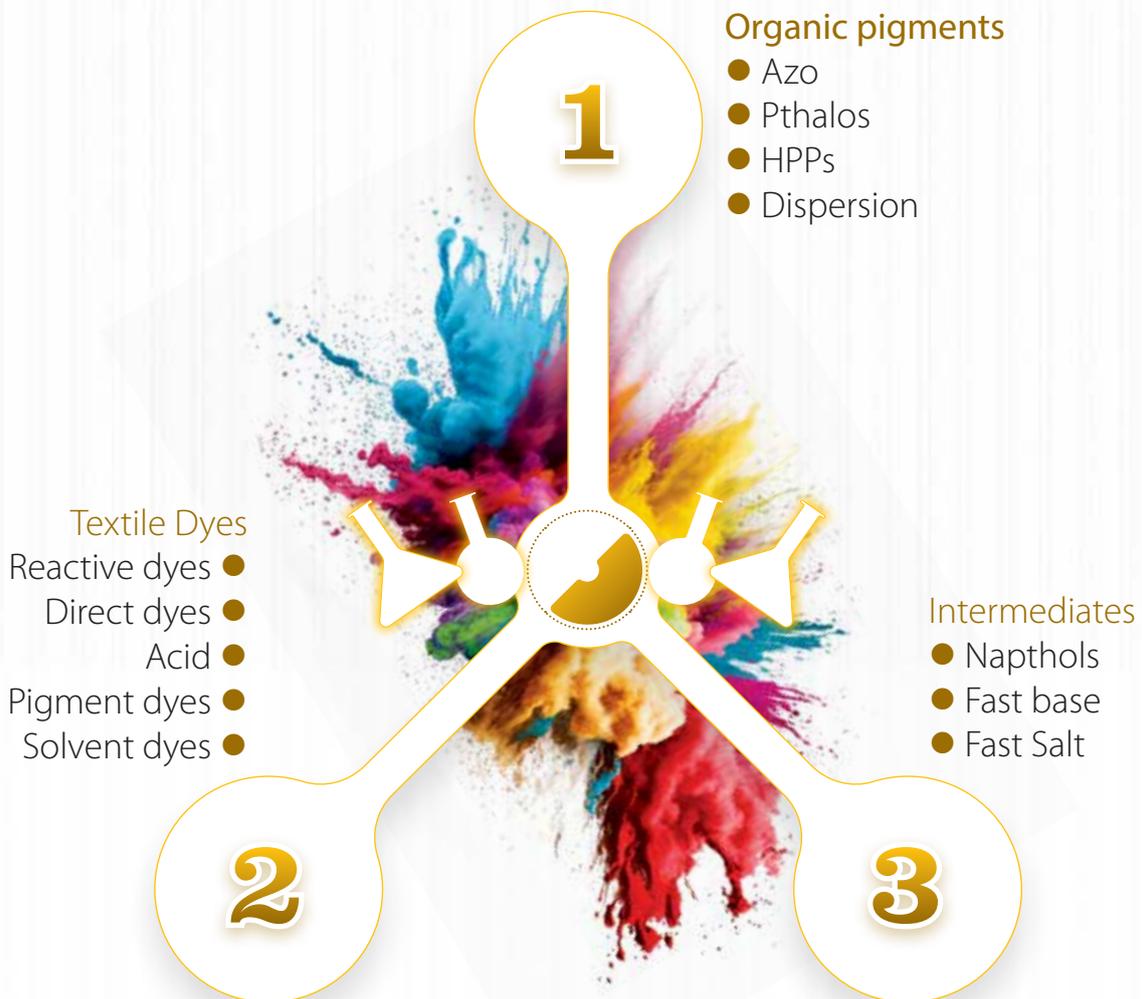


This unit is one of the world's largest producer of fast salts.

OUR PRODUCTS & PRESENCE

OUR product portfolio comprises of Pigment Powder, Pigment Dispersion, Textile Dyes, Paper Dyes, Leather Dyes, Naphthols, Fast Color Bases, Fast Color Salts and Dyes Intermediates. The Company currently serves clients across a broad spectrum of industries ranging from Paint, Plastic, Textiles, Printing Ink, Cosmetics & Food Industry, Paper and several others and has presence in both local and international market. In addition to a strong presence, the Company has a wide global presence with a footprint across more than 50 geographies.

OUR DIVERSIFIED PORTFOLIO



OUR SECTORAL FOOTPRINT



TEXTILES



PAINT



PRINTING INK



PLASTIC & MASTER BATCHES



LATEX



AGRICULTURE



LEATHER



PAPER & PACKAGING



FOOD, BEVERAGES & CONFECTIONARIES



DIETARY SUPPLEMENT

OUR GLOBAL FOOTPRINT



ARGENTINA



GERMANY



JORDAN



PORTUGAL



TAIWAN



BANGLADESH



GHANA



KAZAKHSTAN



RUSSIA



TANZANIA



BELGIUM



GREECE



KENYA



SAUDI ARABIA



THAILAND



BRAZIL



GUATEMALA



MALAYSIA



SENEGAL



TURKEY



CANADA



HOLLAND



MEXICO



SINGAPORE



UAE



CHILE



HONG KONG



MYANMAR



SOUTH AFRICA



UK



CHINA



INDIA



NIGERIA



SOUTH KOREA



USA



COLOMBIA



INDONESIA



PAKISTAN



SPAIN



UZBEKISTAN



EGYPT



IRAN



PERU



SRI LANKA



VIETNAM



ETHIOPIA



ITALY



PHILIPPINES



SWITZERLAND



FRANCE



JAPAN



POLAND



SYRIA

OUR BRAND SPECTRUM



SunTONE[®]
Pigment Powder

SUNTONE
Our flagship brand for range of pigment powder for application such as coatings, Plastics, Printing ink etc.

SunACTIVE[®]
Reactive Dyes for Textiles

SUNACTIVE
They are high quality range of reactive dyes for dyeing and printing on textiles.

SunTHOL[®]
Naphthols

SUNTHOL
It consists of premium range of naphthols used for textile dyeing and for pigment manufacturing.



SunPULP®
Pigment Dispersions
For Paper & Pulp Coating

SUNPULP
This is the latest product range launched only recently. It comprises of a technologically-driven range of pigment dispersion for pulp and paper industry.

SunCOAT®
Fine Paste for
Paint & Coating

SUNCOAT
This series is a well-designed range of pigment dispersion for paint and coating application. The range of Dispersion / Emulsion / Paste is 100% free of VOC, Alkyl / Nonyl phenol Ethoxylates, Formaldehyde free & complies with the highest level of global quality standards.

SunPRINT®
Pigment Paste
for Textiles

SUNPRINT
This comprises of a well-crafted eco-friendly range of pigment dispersion for textile printing. We have OEKO-TEX® compliant ECO PASSPORT for our SunPrint range. Along with ECO PASSPORT we are also having ZDHC - Level 3 compliance. These certifications also indirectly makes our product compatible to GOTS, Bluesign® and INDITEX.

OUR **EDGE**

OUR INTERCONNECTED CHEMISTRY

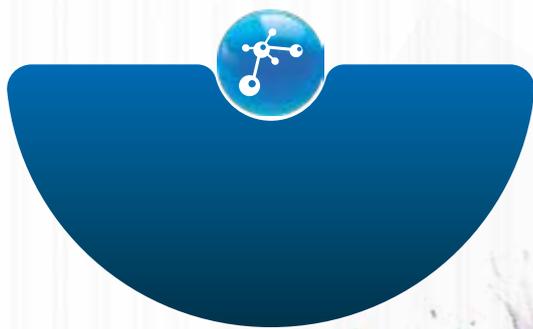
OUR expertise in integrating our various competencies, empowers us to create the right solutions for the chemical industry and the world at large. We are leveraging this interconnected chemistry to transform into a customer centric, solution oriented company.



VIPUL ORGANICS

Interconnected Chemistry

FORWARD & BACKWARD
INTEGRATED FOR
BETTER RESULTS





POWDER PIGMENT

PIGMENT DISPERSION

OUR VALUE PROPOSITION

To ensure that our clients get the advantage of highest quality products at affordable prices, we have adopted a three-dimensional approach:

- We procure only the basic raw material from reputed suppliers
- Most of the processes are carried out in house to ensure that our customers always get the same high-quality products. It helps us keep stringent quality checks and optimise cost
- We follow a robust supply chain which ensures we always carry adequate stock of RM as well as finished goods so that we can supply the products to customer with the shortest lead time

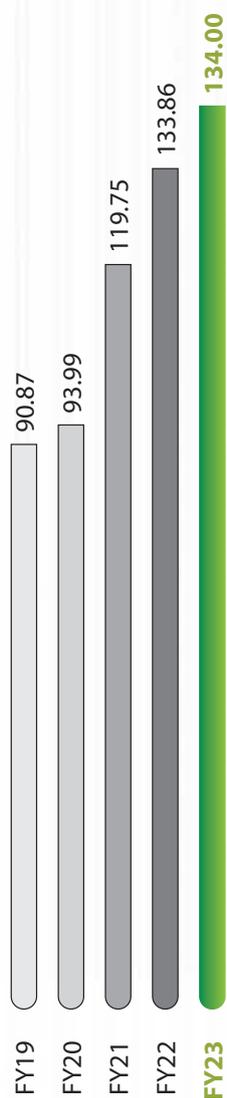
WHY PARTNER WITH US?

- Backward-Forward integration helps maintain consistency in quality
- Expertise in product customisation
- Strong Technical team and Marketing team for servicing the customer
- 100% Commitment and Ethical Approach towards People, Environment, Customers
- Good platform for any kind of large-scale collaboration
- Fast growing global network

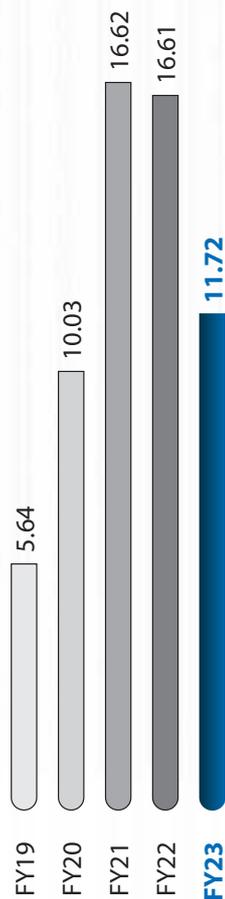
KEY PERFORMANCE INDICATORS

PERFORMANCE

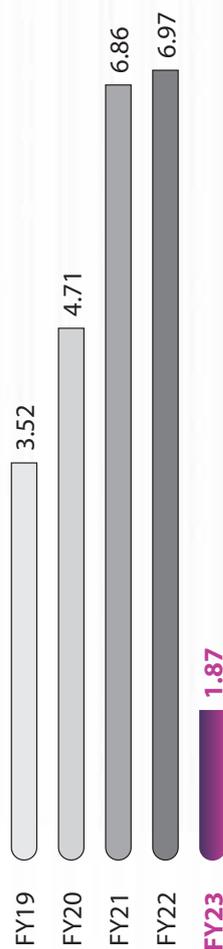
REVENUE FROM OPERATIONS
(₹ crore)



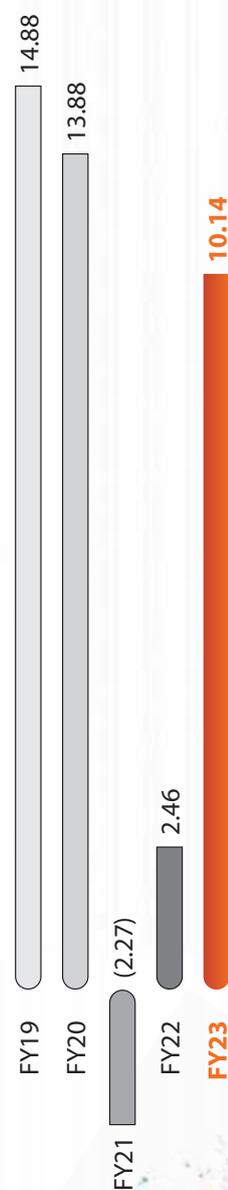
EBITDA
(₹ crore)



PROFIT AFTER TAX
(₹ crore)

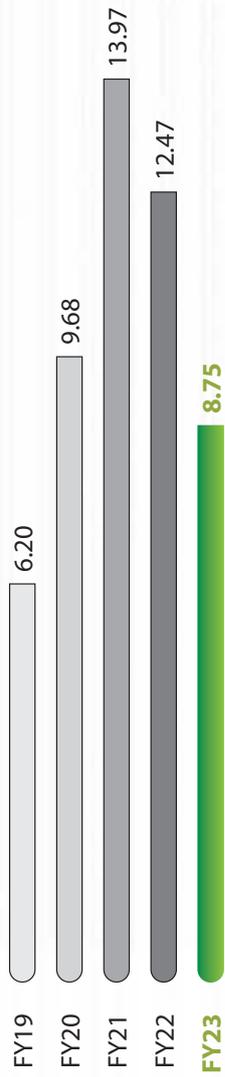


NET CASH FROM OPERATIONS
(₹ crore)

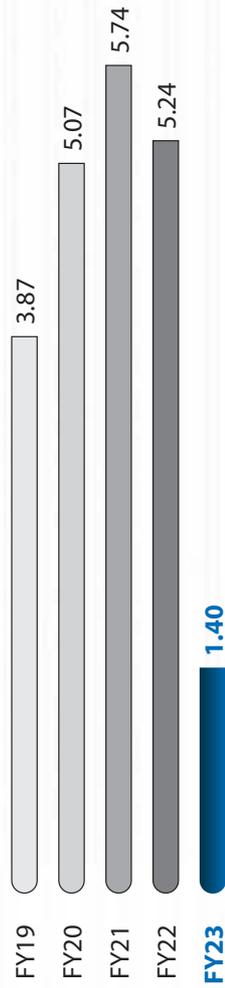


PROFITABILITY

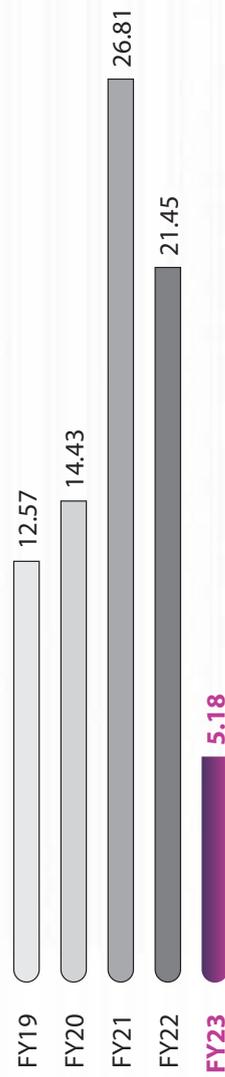
EBITDA MARGIN (%)



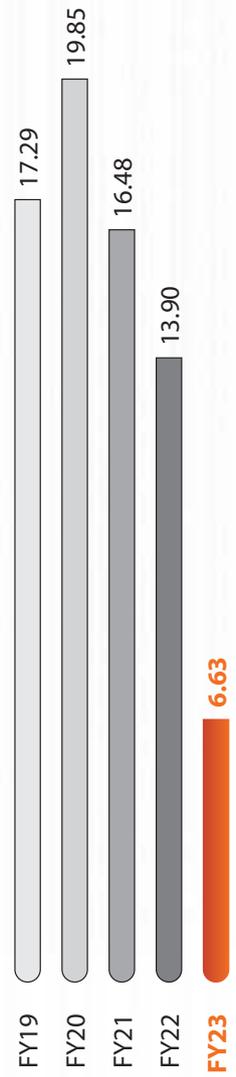
NET MARGIN (%)



RETURN ON EQUITY (%)



RETURN ON CAPITAL EMPLOYED (%)







**OUR LEADERSHIP'S
COMMUNIQUE**



AS WE EMBARK ON THE NEXT 50 YEARS OF VIPUL ORGANICS' JOURNEY, WE BELIEVE **WE WILL BE ABLE TO SET NEW BENCHMARKS IN THE INDIAN PIGMENT AND DYE INDUSTRY**

Dear shareholders,
I hope you and your loved ones are in the pink of health.

There is considerable enthusiasm within Vipul for we embarked on the second leg of our journey – the next 50 years -- with the ambition of creating many more milestones than we did on our first leg. We are optimistic that as our strategic initiatives take deeper root within, the quality of our business will evolve, translating into superior stakeholder value.

OUR PERFORMANCE

FY23 was a period of considerable volatility in the global markets. Since our business is mainly export-driven, the dismal global landscape weighed on our performance.

Revenue from operations was at previous year levels, but the Profit for the year dipped sharply. This was primarily due to inflationary headwinds that elevated key input material prices. Considering the muted demand, this could not be passed on to the clients.



EYE ON THE FUTURE

Despite a drop in numbers, there was considerable excitement within Vipul Organics. Having worked silently and patiently for the last 12-18 months, we created product lines with paper-focused Dispersions and Dyes. We have launched a complete range of products and added leading paper manufacturers as our customers.

We are looking at the considerable excitement in this space, overlooking this area was not an option. We are creating a strong R&D lab to look closely at customer requirements and create solutions to address their pain points. Our state-of-the-art lab will be fully functional shortly. In the current year (FY24), we expect 5-8% of our revenues to come from the paper segment. Over the next 3-4 years, we expect Paper Dispersions and Dyes to contribute around ₹50 crore to our topline.

The other important growth driver is our greenfield facility, which is moving forward well, and we expect to commence our facility as scheduled, barring unforeseen circumstances. We are confident that this new facility will start generating returns from FY25.

WHAT LIES AHEAD?

While global risks could impact the world's economic progress in the current year, the International Monetary Fund estimates that the world should grow at an average of 3% over the following 3-5 year time frame.

Aligned with global economic growth, the opportunity landscape for the dyes and pigments sectors appears promising over the medium term. Credible estimates suggest that the sectors we service will register healthy growth over 3-5 years, resulting in buoyant demand for our products.

The coming years will be exciting for Vipul Organics, with tailwinds in the Pigments segment of the Chemical Industry. As we embark on the next 50 years of Vipul Organics' journey, we believe we will set new benchmarks in the Indian Pigment and Dye Industry.

Even as we strive to gain market share, our unwavering focus will be on maintaining a healthy bottom line and margins through judicious utilisation of resources and rationalisation of costs.

As we move into FY24, I would like to express my sincere gratitude to my fellow Directors for their commitment and professionalism in paving Vipul's long-term vision.

Also, I would like to thank our esteemed shareholders, partners and other stakeholders for believing in our story, reposing their confidence in our capability and extending their support in our long journey towards excellence.

Warm regards
Vipul Shah
Managing Director





MANAGEMENT
DISCUSSION & ANALYSIS

AN ECONOMIC OVERVIEW



Global economy: The world economy is still unstable with weak economic growth, stubborn inflation, and rising interest rates in the major developed economies, all of which are clouding the near-term economic outlook. Legacy effects of the COVID-19 pandemic, the protracted war in Ukraine, and exacerbating effects of climate change are impeding a rebound of global growth. Global headline inflation is expected to fall from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024.

The 10-year economic outlook indicates a perpetuated period of obstruction and uncertainties for businesses, but there are also opportunities. Global growth will return to its slowing trajectory with mature markets making smaller contributions to global GDP over the next decade.

Despite persistently high inflation and recent financial sector turmoil, tentative signs that the global economy could achieve a soft landing in early 2023 - with inflation decreasing and growth remaining steady - have diminished. Although food and energy prices have gone down and central banks have raised interest rates, inflation has gone down.

However, underlying price pressures are still there, and labour markets are tight in many economies.

In the US, persistently elevated inflation and extraordinarily tight labour markets, prompted a sharp monetary tightening, even the EU witnessed a recession. Asia-Pacific acted as a counterweight to the recessions in the US and EU.



Indian Economy: FY23 GDP growth figures underscored the resilience of the Indian economy amidst global challenges. This robust performance along with overall optimism and compelling macro-economic indicators, exemplify the promising trajectory of India's economy and the tenacity of its people.

India's economy showcased significant growth in the January-March quarter of 2022-23, with a GDP growth rate of 6.1%. This surge, primarily driven by improved performance in agriculture,

manufacturing, mining, and construction sectors, contributed to an annual growth rate of 7.2%. The robust growth propelled the Indian economy to reach US\$ 3.75 trillion and sets the stage for achieving the ambitious US\$ 5 trillion target in the coming years.

Exports of goods and services accounted for 23.5% of GDP, the highest since 2014-15, while private consumption hit the highest level since 2006-07 at 58.5%, reflecting a sustained increase. GDP from Manufacturing in India averaged ₹5,088.17 billion from 2011 until 2023, reaching an all-time high of ₹7,382.00 billion. The total gross GST collection for the 2022-23 fiscal stood at ₹18.10 lakh crore, 22% higher than the previous year.

The Indian economy remains resilient in the face of a global challenging environment, and fortunately in the forthcoming year major domestic roadblocks are not anticipated.

The Indian economy is expected to grow in a range of 6-6.5% in the financial year 2023-24. The growth will be supported by strong domestic drivers and healthy momentum in capital expenditure.



OUR BUSINESS SPACE

About Dyes & Pigments: Colour is one of the elements of nature that makes human life more aesthetic and fascinating. Colour derives from the spectrum of light interacting in the eye. A colourant is a substance that is used to impart colour to matter.

Dyes and pigments are the most important colourants used to add colour or to change the colour of a certain object. They are widely used in the textile, pharmaceutical, food, cosmetics, plastics, paint, ink, photographic, and paper industries. Dyes are coloured organic compounds that are used to impart colour to various substrates,

including paper, leather, fur, hair, drugs, cosmetics, waxes, greases, plastics and textile materials. A Dye is a coloured compound due to the presence of chromophore and its fixed property to the acid or basic groups.

Pigments are coloured, black, white, or fluorescent particulate organic or inorganic solids which usually are insoluble in, and essentially physically and chemically unaffected by, the vehicle or substrate in which they are incorporated. Pigments are used for colouring paint, ink, plastic, fabric, cosmetics, food, and other materials.

PIGMENTS	DYES
Pigment molecules are much larger; hence they do not dissolve in water	Dye molecules are very small; hence easily dissolve in water and many solvents
A pigment cannot be directly applied to a material	Dyes can be used with a dye solution (dyes dissolved in water) as well as directly
Resistant against fading	Vulnerable to fading
Longevity is longer	Longevity is shorter
Pigments are non-combustible.	Dyes are combustible.





Global Dyes & Pigments market:

The global dyes and pigments market size was valued at US\$ 38.2 billion in 2022 and is expected to expand at a CAGR of 5.3% from 2023 to 2030. Increasing demand from various application industries such as textiles, paints & coatings, construction, plastics, chemical, and pharmaceutical is expected to drive the market growth.

The accessibility of items on e-commerce platforms has expanded the client base of market members. The global construction industry's rapid expansion has also been a key growth driver for the market as a whole.

This industry has significant growth potential in nations like the United States, the United Kingdom, China, Indonesia, India, Saudi Arabia, and the United Arab Emirates.

Increasing usage in paints, coatings, printing inks, plastics, etc. will boost the pigments industry over the next decade. According to Fact.MR, the global pigments market will reach US\$ 45 billion by 2031. Over the next 10 years, global pigment sales are likely to surge at 5.4% CAGR.

Inorganic pigments earned a higher share in the market as compared to organic pigments due to properties, such as good wetting, darker colour, and leanness. However, the organic pigments segment is anticipated to register the fastest CAGR of 5.7%, in terms of revenue, from 2023 to 2030. The global inorganic pigments market grew from US\$ 22.84 billion in 2022 to US\$ 25.12 billion in 2023 at a CAGR of 9.97%.

[<https://www.maximizemarketresearch.com/global-pi...>]

The reactive dyes segment dominated the market with a revenue share of more than 57% in 2022. These products are composed of highly coloured organic substances and have primary applications in tinting textiles. The segment is estimated to expand further at the fastest CAGR from 2023 to 2030.

[<https://www.grandviewresearch.com/industry-analysis/>]

However, increasing environmental concerns are resulting in policy changes across the globe, which is anticipated to restrain the market growth over the forecast period. Factors, such as water pollution during the manufacturing processes, high metal content in pigments, and high water consumption in the textile industry to rinse dyes, are the major environmental threats. Stringent regulations have been imposed in regions, such as Europe, North America, and China, which may challenge market growth.



Indian Dyes & Pigments market:

The India dyes and pigments market is being driven by the growth of the Indian pigments market. The production value of the pigments industry in India reached a volume of nearly 164.51 million tons. The India dyes and pigments market accounts for almost a quarter of the global market and is expected to grow at a CAGR of 11% between 2023 and 2028.

The development of the pigment market is due to the growth of the cosmetic industry in the country. Because of improved living standards and advanced ways of life, the interest in cosmetics, for example, skincare, haircare, and perfumes is developing quickly.

[<https://www.expertmarketresearch.com/reports/indi..>]

Owing to increased environmental awareness among a larger section of the population, many manufacturers are focusing on the development of bio-based dyes and pigments.

The increasing population is expected to play a prominent role in driving the demand for apparel globally, which is anticipated to

propel the demand for the dyes and pigments market from the textile sector.

India's dyes industry is expected to expand steadily in the coming years as a result of environmental restrictions in China, which have forced several domestic dye companies to close. India is in a better position because it has the ecosystem, feedstock, technology, and compliance that the industry needs. Hence, the customer base of China is probably going to move to India because of these reasons in the coming years.

India trades dyes and pigments to most nations in Asia-pacific in light of the fact that these nations lack the competitive scale of production. India likewise exports to many countries in Europe and the USA, where the business takes benefits of

the low cost of production, a huge pool of talented quality experts, consistence with worldwide benchmarks, and the country's cutthroat assembling strategies. In India, there is a major shift seen in textile printing from dyes to

pigments. In terms of digital ink as well, India is adapting to newer printing techniques by investing in newer printing machines and the concept of printing. However, we are just at the beginning of this change.

ABOUT THE COMPANY



VIPUL Organics is a leading Specialty Chemicals company in the pigments and dyes segment. It makes products for several industrial segments like paints, plastics, paper, leather, textiles, etc. it is amongst the foremost manufacturers of Pigments, Dyestuffs, Pigment Intermediates / Naphthols / Fast

Salts and Lake colours in the country. The company's global footprint is spread across 50+ countries and even has a sizeable domestic presence.

The Company has established three operating facilities in the state of Maharashtra. Vipul has a world-class R&D facility which is specially

equipped to test dye and pigment products. The company operates through a strong distribution network in India and around the globe with a presence in more than 50 countries.

Operational Performance:

The Company established new markets, new areas, environmental consciousness, cost reduction, etc, in order to achieve new global standards, during the financial year under review. The organisation zeroed in on aggressive development pillared on an expansion in homegrown

volumes as well as on research and development, upgradation of manufacturing facilities, exports, and market alliances.

Vipul's extensive product portfolio (SunTone, SunPrint, SunVat, SunFast, Herbal Extracts, etc.) and well-connected marketing team give it a far-reaching customer base.

Vipul is committed to producing environment-friendly products and ensuring safety of all concerned. It complies with safety regulations like the OEKO TEX, REACH, APEO Free, and many more. The company gears for ISO 14000 and we fully comply with social responsibility.



FINANCIAL PERFORMANCE

The Company reported a muted performance during FY23.

Significant changes i.e. a change of 25% or more in the key financial ratios

In accordance with the amendments notified by SEBI in Regulation 17 of the SEBI

(Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the

immediately previous financial year along with detailed explanations, wherever required, are reported here under:

Ratio	STANDALONE				CONSOLIDATED			
	March 31, 2023	March 31, 2022	% Variation	Reason for variation	March 31, 2023	March 31, 2022	% Variation	Reason for variation
Current Ratio	1.35	1.27	6%	Refer note 1	1.36	1.29	6%	Refer note 1
Debt-Equity Ratio	0.53	0.56	-5%	Refer note 1	0.54	0.56	-4%	Refer note 1
Debt Service Coverage Ratio	2.77	3.77	-27%	Refer note 2	2.74	3.76	-27%	Refer note 2
Return on Equity Ratio	5.19%	21.39%	-76%	Refer note 3	5.18%	21.45%	-76%	Refer note 3
Inventory turnover ratio	2.6	3.55	-27%	Refer note 4	2.6	3.51	-26%	Refer note 4
Trade Receivables turnover ratio	3.54	3.45	3%	Refer note 1	3.5	3.42	2%	Refer note 1
Trade payables turnover ratio	2.5	2.73	-8%	Refer note 1	2.5	2.72	-8%	Refer note 1
Net capital turnover ratio	6.22	7.26	-14%	Refer note 1	6.05	6.93	-13%	Refer note 1
Net profit ratio	1.47%	5.24%	-72%	Refer note 5	1.40%	5.23%	-73%	Refer note 5
Return on Capital employed	6.63%	13.86%	-52%	Refer note 5	6.63%	13.90%	-52%	Refer note 5
Return on investment	2.18%	8.32%	-74%	Refer note 6	2.18%	8.34%	-74%	Refer note 6

Notes to the Financial Statements for the financial year ended 31st March, 2023

Reason for variation:

- | | | |
|--|---|--|
| <p>1 Not applicable as the variation is < 25%</p> <p>2 There is variation in ratio mainly due to increase in interest cost and reduction in profit during the current year as compared with previous year</p> | <p>3 There is variation in ratio due to increase in average shareholders fund and reduction in profit during the current year as compared with previous year</p> <p>4 There is variation in ratio due to increase in average inventory level during the current year as compared with previous year</p> | <p>5 There is variation in ratio due to decrease in profit during the current year as compared with previous year</p> <p>6 There is variation in ratio due to decrease in profit and increase in average assets during the current year as compared with previous year</p> |
|--|---|--|

Internal Control Systems and their Adequacy:

The Company believes that Internal Control is one of the key pillars of governance, which provides freedom to the management within a framework of appropriate checks and balances. The Company has a robust internal control framework, which has been developed considering the nature, size, and risks that could hinder the Company from achieving its objectives. The Company has a well-placed, proper, and adequate internal controls environment,

commensurate with the size, scale, and complexities of its operations. Internal control systems comprising of policies and procedures are designed to ensure the reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations, and that all assets and resources are acquired economically used efficiently and are adequately protected. All the company processes are carried out on the SAP system. The internal auditors along with the finance team plan the yearly schedule in

consultation with Chief Financial Officer and Audit Committee. The Audit Committee reviews the major findings of the internal audit. The periodic report prepared by the internal audit team creates the basis of certification provided by the Managing Director and Chief Financial Officer for financial reporting.



Human Resource Management:

Vipul Organics enjoys the support of a committed and well-satisfied human capital. The people at the heart of the business are the driving force behind its ascent to new heights. Its people are its most important strategic pillars, and they inspire it to go beyond the mind's limits, open doors, and boost performance.

A strong bond has been established between the team and the business as a result of its people-centric policies. As learning and delivering institution, the company continued to invest in its employees by providing them with opportunities to increase their knowledge base, enhance their expertise, and cultivate leadership. The best talent is attracted and retained by the company's compensation

packages, best-in-class recruitment, and training, motivation, and performance evaluation strategies. The company's attrition rate stays well below the industry average, thanks to these procedures. As of March 31, 2023, the Company had 350+ employees.



Risk Management: In today's VUCA world, achieving our business goals makes it imperative for the Company to stay focused on how it manages its key enterprise-wide risks in an efficient and effective manner.

The Company has developed and implemented a robust Enterprise Risk Management (ERM) Framework for the same.

Vipul has adopted a consistent Framework and standard process to ensure a co-ordinated and integrated approach for managing

Risks & Opportunities across the organisation. This lays the foundation for a risk culture with independent, proactive and systematic risk management involving clearly defined roles and responsibilities, principles, standards, methods, tools and training measures.



CAUTIONARY STATEMENT: SOME OF THE STATEMENTS MADE IN THE MANAGEMENT DISCUSSIONS & ANALYSIS MENTIONING THE COMPANY'S OBJECTIVE, ESTIMATES, PROJECTIONS, EXPECTATIONS AND PREDICTIONS MAY BE FORWARD LOOKING STATEMENTS WITHIN THE MEANING OF APPLICABLE SECURITIES LAWS AND REGULATIONS. THE EXPECTATIONS ARE BASED ON REASONABLE ASSUMPTIONS; THE

ACTUAL RESULTS MAY DIFFER FROM IMPLIED. THE COMPANY'S OPERATIONS ARE DEPENDENT BY MANY EXTERNAL AND INTERNAL FACTORS BEYOND THE CONTROL OF THE COMPANY. THE COMPANY ASSUMES NO RESPONSIBILITY TO PUBLICLY AMEND, MODIFY OR REVISE ANY FORWARD-LOOKING STATEMENTS, ON THE BASIS OF ANY SUBSEQUENT EVENTS OR INFORMATION.

NOTICE

Notice is hereby given that the Fifty-first (51st) Annual General Meeting ("AGM") of the members of **VIPUL ORGANICS LIMITED** (CIN: L24110MH1972PLC015857) will be held on Saturday, 30th September, 2023 at 3:30 P.M. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without physical presence of the members at a common venue, to transact the business as set out in this notice. The proceedings of the 51st AGM shall be deemed to be conducted at the Corporate Office of the Company situated at B 603-A, Kaledonia, Sahar Road, Off. Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India which shall be the deemed venue of the 51st AGM.

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Board of Directors and Auditors thereon; and (b) the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the report of the Auditors thereon and in this regard, if thought fit, pass the following resolutions as **ORDINARY RESOLUTIONS:**

- (a) **"RESOLVED THAT** the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."
- (b) **"RESOLVED THAT** the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Auditors' Report thereon be and are hereby received, considered and adopted."

2. To declare dividend on Equity Shares for the financial year ended 31st March, 2023 and, in this regard, if thought fit, pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the recommendation of the Board of Directors of the Company, dividend @ 9.00% (₹0.90 per equity share) on 1,28,11,875 Equity Shares of ₹10/- each of the Company for the financial year ended 31st March, 2023, be and is hereby declared out of the profits of the financial year ended 31st March, 2023 and that the same be paid to those shareholders whose names appeared on the Company's Register of Members / List of Beneficiaries as on Saturday, 23rd September, 2023 and that the dividend be given to those shareholders who are entitled to receive the payment of the same."

3. To appoint a director in place of Mr. Vipul P. Shah (DIN: 00181636), who retires by rotation and being eligible, offered himself for re-appointment as a director and in this regard, if thought fit, pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vipul P. Shah (DIN: 00181636), Director of the Company, who retired by rotation and being eligible, had offered himself for re-appointment, be and is hereby re-appointed as a director of the Company, who shall be liable to retire by rotation."

SPECIAL BUSINESS:

4. To approve revision in remuneration payable to Mr. Vipul P. Shah (DIN: 00181636), Managing Director of the Company and in this regard, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company and subject to all other

sanctions, approval and permission as may be required, the revision in remuneration payable to Mr. Vipul P. Shah, Managing Director of the Company for the period from 1st April, 2023 to 14th June, 2025 on the terms and conditions as detailed below be and is hereby approved, with the authority to the Board of Directors to revise the terms, on recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee of the Company, with regard to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force:

1. Remuneration payable:
 - (a) Salary: ₹9,25,000/- (Rupees Nine Lakh Twenty Five Thousand only) per month.
 - (b) Perquisites: The Managing Director shall be entitled to the following perquisites in accordance with the Company's policies, practices and procedures over and above the salary:
 - i. Company based accommodation or house rent allowance.
 - ii. Chauffeur driven Company car.
 - iii. Reimbursement of medical benefits incurred for self and family.
 - iv. Leave travel allowance as per rules of the Company.
 - v. Company's contribution to Keyman's Insurance Policy.
 - vi. Superannuation Scheme, benefits of Gratuity, earned leave and encashment of leave as per rules of the Company.
2. Car for use on Company's business, telephone and other communication facilities at residence will not be considered as perquisites.
3. The Company shall reimburse the Managing Director expenses incurred by him for the purpose of the business of the Company in accordance with the Company's policies, practices and procedures.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during

the currency of tenure of service of Mr. Vipul P. Shah as Managing Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

5. To approve revision in remuneration payable to Mr. Mihir V. Shah (DIN: 05126125), Whole Time Director and Chief Financial Officer of the Company and in this regard, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company and subject to all other sanctions, approvals and permissions as may be required, the revision in remuneration payable to Mr. Mihir V. Shah (DIN: 05126125), Whole Time Director and Chief Financial Officer of the Company with effect from 1st April, 2023 for remaining period of his current tenure on the terms and conditions as detailed below be and is hereby approved, with the authority to the Board of Directors to revise the terms, on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee of the Company, with regard to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force:

1. Remuneration payable:
 - (a) Salary: ₹8,10,000/- (Rupees Eight Lakh Ten Thousand only) per month.
 - (b) Perquisites: The Whole Time Director shall be entitled to the following perquisites in accordance with the Company's policies,



practices and procedures over and above the salary:

- i. Company based accommodation or house rent allowance.
- ii. Chauffeur driven Company car.
- iii. Reimbursement of medical benefit incurred for self and family.
- iv. Leave travel allowance as per rules of the Company.
- v. Company's contribution to Keyman's Insurance Policy.
- vi. Superannuation Scheme, benefits of Gratuity, earned leave and encashment of leave as per rules of the Company.

2. Car for use on Company's business, telephone and other communication facilities at residence will not be considered as perquisites.

3. The Company shall reimburse the Whole Time Director expenses incurred by him for the purpose of the business of the Company in accordance with the Company's policies, practices and procedures.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Mihir V. Shah as Whole Time Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.

By order of the Board of Directors

For **Vipul Organics Limited**

Vipul P. Shah

Managing Director

DIN: 00181636

Place: Mumbai

Date: 14th August, 2023

Registered Office:

102, Andheri Industrial Estate,
Off Veera Desai Road, Andheri (West),
Mumbai - 400053, Maharashtra, India.

NOTES:

1. The Ministry of Corporate Affairs, *inter alia*, vide its General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020, followed by General Circular No. 20/2020 dated 5th May, 2020 and subsequent circulars issued in this regard, the latest being 10/2022 dated 28th December, 2022 (collectively referred to as "MCA Circulars") has permitted the holding of the general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") without physical presence of the members at a common venue. Accordingly, the 51st Annual General Meeting ("AGM") of the Company is being convened through VC / OAVM. In accordance with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") read with Guidance / Clarification dated 15th April, 2020 issued by the ICSI, the proceedings of the 51st AGM shall be deemed to be conducted at the Corporate Office of the Company situated at B 603-A, Kaledonia, Sahar Road, off. W. E. Highway, Andheri (East), Mumbai - 400069, Maharashtra, India.

Further, the Securities and Exchange Board of India, vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and subsequent circulars issued in this regard, the latest being SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 ("SEBI Circulars") has given relaxation from sending hard copy of Annual Reports containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 ("Act") and proxy forms as required under Regulation 44(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") to the members who have not registered their e-mail addresses in case of general meetings held through electronic mode.

2. Pursuant to the provisions of the Act, a member entitled to attend and vote during the 51st AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. However, since this 51st AGM will be held pursuant to the said MCA and SEBI Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the

members will not be available for this 51st AGM; hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.

3. The explanatory statement pursuant to the provisions of Section 102(1) of the Act, setting out material facts in respect of Special Business to be transacted at the 51st AGM is annexed hereto and forms part of this Notice. The Board of Directors of the Company has considered and decided to include the item nos. 4 and 5 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
4. Brief resume of directors proposed to be re-appointed or whose remuneration is proposed to be approved at the ensuing 51st AGM in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standard on "General Meetings" (SS-2) is annexed to the Notice.
5. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the 51st AGM along with the Annual Report 2022-23 and instructions for e-voting are being sent through electronic mode only to those members whose email addresses are registered with the Company / RTA / Depositories. The members may note that the Notice, Annual Report 2022-23 and instructions for remote e-voting and e-voting during the AGM will also be available on the Company's website www.vipulorganics.com, website of the Stock Exchange i.e. BSE Ltd. at www.bseindia.com and on the website of the Central Depository Services (India) Limited ("CDSL") (agency engaged by the Company for providing the e-voting facility) at www.evotingindia.com.
6. Institutional / Corporate members / President of India / Governor of a State intending to represent through their authorized representatives in the 51st AGM through VC / OAVM and to vote through remote e-voting or e-voting during the 51st AGM are requested to send to the Company a certified copy of the board resolution authorizing their representative to the designated e-mail address of the Company i.e. companysecretary@vipulorganics.com and to CDSL i.e. helpdesk.evoting@cdslindia.com and to the Scrutinizer at manish@csmanishb.in.
7. In case of joint holders, the member whose name appears as the first holder in the order of names as

per the Register of Members of the Company will be entitled to vote at the 51st AGM.

8. The Register of Directors' and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act and Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Act and all documents referred to in the Notice of 51st AGM, will be available for inspection online by the members on request by sending an e-mail to companysecretary@vipulorganics.com.
9. Pursuant to the provisions of Section 91 of the Act and Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books will remain closed from Sunday, 24th September, 2023 to Saturday, 30th September, 2023 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if approved by the members at the ensuing 51st AGM.
10. The dividend on Equity shares as recommended by the Board of Directors for the financial year ended 31st March, 2023, if approved by the members at the ensuing 51th AGM, will be paid to those members whose names shall appear in the Register of Members as on Saturday, 23rd September, 2023; and in respect of shares held by them in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and CDSL as beneficial owners as on that date. In case the Company is unable to pay the dividend to any member by the electronic mode due to non-availability of the details of the bank accounts, the Company will dispatch the dividend warrant / demand draft by post. However, in case of any disruption the postal services due to pandemic or any other reasons, the same will be sent upon restoration of normalcy of postal services.
11. Members may note that the Income Tax Act, 1961, the ("IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 1st April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit

Form 15G / Form 15H or any other documents as applicable, if any, in accordance with the provisions of the IT Act.

12. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN / Invalid PAN	20% or as notified by the Government of India

However, no tax will be deducted on the dividend payable to a resident individual if the total dividend to be received by him during Financial Year 2022-23 does not exceed ₹5,000/- and also in cases where members have provided Form 15G / Form 15H (applicable to individuals aged 60 years or more), subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as applicable, if any, in accordance with the provisions of the IT Act.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as may be notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962.
- Copy of Tax Residency Certificate (TRC) for the FY 2022-23 obtained from the revenue

authorities of the country of tax residence, duly attested by member.

- Self-declaration in Form 10F.
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents are required to be submitted by sending email at companysecretary@vipulorganics.com before 23.59 hrs. (IST) on 23rd September, 2023.

13. The SEBI vide its notification dated 24th January, 2022 has amended the Regulation 40 of the Listing Regulations and has mandated that all requests for transfer of securities including requests for transmission or transposition of securities shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form, so they can transfer their shares in future, if so desire. Members can contact the Company or the RTA for assistance in this regard. However, members can continue to hold shares in physical form.
14. The Schedule I of the Listing Regulations mandates to all listed companies to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) for making payments like dividend to the shareholders. Accordingly,

members who have not updated their bank account details and wish to avail such facilities in future are requested to update their bank account details by furnishing requisite documents with RTA of the Company in case of shares held in physical mode and with your respective depository participants, with whom you have demat account.

15. The cut-off date for the payment of final dividend for the financial year 2022-23 and the cut-off date for the purpose of determining eligibility of members for e-voting in connection with the 51st AGM has been fixed as Saturday, 23rd September, 2023 ("cut-off date").
16. Members holding shares in identical order of names in more than one folio are requested to send the share certificates to Bigshare Services Private Limited, Registrar and Share Transfer Agents ("RTA") of the Company, for consolidation of all such shareholdings into one folio to facilitate better services.
17. Members are requested to forward their all communications to the RTA of the Company and are further requested to always quote their Folio Number / DPID-Client ID in all correspondences with the Company.
18. The Company has transferred the unpaid or unclaimed dividend declared upto the financial years 2014-15 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The unclaimed dividend in respect of the financial year ended 31st March, 2016 is due for transfer to the IEPF in month of October, 2023. The shareholders whose dividend remained unclaimed for the financial year 2015-16 and for subsequent financial years are requested to claim it immediately from the Company. The Company has uploaded the details of unpaid/unclaimed dividend amounts lying with the Company as on 31st March, 2023 under "Investor Relations" section on the website of the Company www.vipulorganics.com. The details of unpaid / unclaimed dividend amounts lying with the Company have also been uploaded on the website of the Ministry of Corporate Affairs and the same can be accessed through the link: www.mca.gov.in and on the website of IEPF viz. www.iepf.gov.in. Attention of the members is drawn

to the provisions of Section 124(6) of the Act, which requires a company to transfer all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more in DEMAT account of the IEPF Authority.

In accordance with the aforesaid provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred 21,780 Equity shares in respect of which dividend declared for the financial year 2014-15 or earlier financial years remained unpaid / unclaimed by the members for 7 (seven) consecutive years or more to the Investor Education and Protection fund via corporate actions through CDSL.

A member desirous to claim back his shares from IEPF Authority can do so by following prescribed procedure under the said rules. The said details are available on the website of the Company www.vipulorganics.com and have also been uploaded on the website of the Ministry of Corporate Affairs and the same can be accessed through the link: www.mca.gov.in and on the website of IEPF viz. www.iepf.gov.in.

Further, the Company has initiated necessary action for transfer of all Equity shares in respect of which dividend declared for the financial year 2015-16 and thereafter has remained unpaid / unclaimed by the members for 7 (seven) consecutive years or more.

19. Members can join the 51st AGM through 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 51st AGM through VC / OAVM will be made available to atleast 1000 members on a first-come-first-served basis; however this limit does not include large shareholders (i.e. Shareholders holding 2% or more shares), 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 principle.

20. The attendance of the members attending the 51st AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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.

- **For shares held in electronic form:** To their respective Depository Participants only and not to the Company / RTA. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its RTA in providing efficient and better services to the members.
- **For shares held in physical form:** To the Company's RTA in prescribed Form ISR -1 and other forms as prescribed by the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, as per instructions mentioned in the form. The said forms can be downloaded from the Company's website available under Investor relations section.

22. Members may please note that the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue the securities in dematerialized form only while processing the service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition received from the shareholder / claimant. The relevant forms can be downloaded from the Company's website available under Investor Relations section. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC

compliant. Upon receipt of service request(s) from shareholder / claimant, the RTA of the Company shall verify and process the said request and after removing objections, if any, shall intimate the shareholder / claimant about its execution / issuance of new certificate as may be applicable. The RTA shall retain the physical Share Certificate with them and shall issue 'Letter of Confirmation' to the shareholder / claimant in lieu of physical share certificate(s). The shareholder / claimant shall lodge a request for dematerialization of shares along with the original Letter of Confirmation received from the RTA within 120 days (One Hundred and Twenty days) of issue of the Letter of Confirmation to his Depository Participant (DP). In case the shareholder / claimant fails to submit the demat request within the aforesaid period, the Company shall credit shares to the Suspense Escrow Demat Account of the Company opened for the said purpose. In order to comply with the aforesaid circular, the Company through its RTA has dispatched letters to the shareholders who are holding shares in physical mode and whose KYC and Nomination details are yet not updated completely, excluding transmission cases, requesting shareholders to update their PAN, KYC & Nomination details.

23. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 30th May, 2022 provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this Circular, investors can opt for arbitration with the Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related requests. In compliance with the said Circular, the Company had sent communication intimating about the Dispute Resolution Mechanism to all the members holding shares in physical form.
24. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, the SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents / details are not available on or after 1st October, 2023 such folios shall be frozen by the RTA.

However, the security holders of such frozen folios shall be eligible:

- to lodge any grievance or avail any service, only after furnishing the complete documents / details as mentioned above and
- to receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI Circular are available on our website www.vipulorganics.com. In accordance with the aforesaid circular, the Company has sent the letters, to those members holding shares in physical mode whose folios are incomplete with respect to PAN, KYC and / or Nomination details requesting them to update the details so as to avoid freezing of the folios. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank and Nomination details are requested to contact their respective DPs. Further, members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of their folios. Such frozen folios shall be referred by RTA / Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002 after 31st December, 2025.

As per the provisions of Section 72 of the Act and the aforesaid SEBI Circular, the facility for making nomination is available for the 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 No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said forms can be downloaded from the Company's website available under "Investor Relations" section.

25. Members whose shareholding is in electronic mode are requested to update any change in their address or bank account details to their respective

Depository Participants (DP). Members holding shares in physical mode are requested to advise any change in their address or bank account details to the Company or Bigshare Services Private Limited, the Registrar and Share Transfer Agents of the Company, quoting their Folio Number.

26. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
27. Non-Resident Indian members are requested to inform the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
28. Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
29. To support the Green Initiative, members who have not registered their email addresses are requested to register the same with the Company's RTA / Depository Participants, in respect of shares held in physical / electronic mode, respectively.
30. The shares of the Company are listed on BSE Ltd. Listing fees for the financial year 2023-24 has been paid to the BSE Ltd.
31. Members seeking any information with regard to the accounts and operations of the Company are requested to write to the Company at least 7 days in advance of the meeting so that the answers can be made available at the meeting.
32. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-

2) issued by the ICSI, the Company is pleased to provide e-voting facility to its members to exercise their right to vote electronically on the resolutions mentioned in the notice of 51st AGM dated 14th August, 2023. The members may cast their votes using electronic voting system from a place other than the venue of the meeting ('remote e-voting').

- a) The facility of casting the vote by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") and e-voting during the meeting will be provided by the CDSL.
- b) A person, whose name is recorded in the Register of Members / List of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of "remote e-voting" or "e-voting" during the AGM.
- c) The "remote e-voting" period commences on Wednesday, 27th September, 2023 at 9.00 A.M. (IST) and end on Friday, 29th September, 2023 at 5.00 P.M. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by "remote e-voting". The "remote e-voting" module shall be disabled by the CDSL for voting thereafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- d) The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or investor@bigshareonline.com. However, if the member is already registered with CDSL for remote e-voting then he can use his existing user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password

- by using “Forgot User Details / Password” option available on www.evotingindia.com.
- e) The Board of Directors of the Company has appointed CS Manish Baldeva, Proprietor M/s. M Baldeva Associates, Company Secretaries, Thane (FCS No.: 6180 / CP No.: 11062) as Scrutinizer to scrutinize the voting through remote e-voting process and e-voting during the 51st AGM in a fair and transparent manner. The Scrutinizer shall within two working days of the conclusion of the AGM prepare a Scrutinizers’ Report on the votes cast in favour or against, if any, and forthwith to the Chairman of the meeting or a person authorized by him, who shall countersign the same and declare the result of the voting.
- f) The result declared along with Scrutinizer’s Report shall be placed on the website of the Company www.vipulorganics.com and on the website of the CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall simultaneously be communicated to the BSE Ltd., where shares of the Company are listed.
- g) Subject to receipt of requisite number of votes in favour, the resolutions shall be deemed to be passed on the date of the meeting i.e. Saturday, 30th September 2023.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of the SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

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

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

THE PROCEDURE / INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING 51ST AGM AND JOINING MEETING THROUGH VC / OAVM ARE AS UNDER:

- (i) The remote e-voting period begins on Wednesday, 27th September, 2023 at 9.00 A.M. (IST) and ends on Friday, 29th September, 2023 at 5.00 P.M. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The remote e-voting module shall be disabled by the CDSL for voting thereafter.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to the said SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 and voting during the meeting. Additionally, there is also link provided to access the system of all e-voting Service Providers i.e. CDSL / NSDL / KARVY / LINKINTIME, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.
Individual shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 2305 8738 and 22-2305 8542-43 or at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding in demat form & physical shareholders.

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

For Shareholders holding shares in demat Form other than individual and Physical Form	
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your

password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for <**VIPUL ORGANICS LIMITED**> on which you choose to vote.
- (x) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xvi) **Note for Non – Individual Shareholders and Custodians:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login

and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. companysecretary@vipulorganics.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM AND E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting and e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
3. Shareholders who have voted through remote e-voting will also be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.

7. Shareholders who would like to express their views / ask questions during the AGM may register themselves as a speaker by sending their request in advance at least **2 days prior to the meeting** mentioning their name, demat account number / folio number, email id, mobile number at companysecretary@vipulorganics.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to the meeting** mentioning their name, demat account number / folio number, email id, mobile number at companysecretary@vipulorganics.com. These queries will be replied by the Company during the AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM on first come first serve basis.
9. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are casted by the shareholders through e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN

(self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company i.e. companysecretary@vipulorganics.com or to RTAs' email id investor@bigshareonline.com.

2. For demat shareholders – Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM and e-voting from the CDSL e-voting system, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 2305 8738 and 022-2305 8542 / 43 or at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-2305 8542 / 43 or at toll free no. 1800 22 55 33.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Vipul P. Shah was re-appointed as Managing Director of the Company for a further period of 5 (five) years w.e.f. 15th June, 2022 to 14th June, 2027 and remuneration payable to him was approved for a period of 3 (three) years w.e.f. 15th June, 2022 to 14th June, 2025.

Mr. Vipul P. Shah has been associated with the Company since more than two decades. Mr. Vipul P. Shah is a Chemical Engineer and has around 34 years of experience in chemical dye stuff and pharmaceutical industry. He holds 34,43,800 Equity Shares in the Company and is promoter of the Company. He is entrusted with overall management of the Company under the supervision and control of the Board of Directors of the Company.

Considering his knowledge, experience and contribution made in the growth of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee, the Board of Directors



of the Company in its meeting held on 14th August, 2023 revised the remuneration payable to Mr. Vipul P. Shah, as detailed in the resolution set out at item no. 4 of this Notice, for the period from 1st April, 2023 to 14th June, 2025, subject to the approval of the members of the Company.

The Board of Directors recommends passing of the Special Resolution as set out at item no. 4 of the Notice for approval of the members.

Except Mr. Vipul P. Shah, Managing Director and Mr. Mihir V. Shah, Whole Time Director & CFO and their relatives, none of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

Item No. 5

Mr. Mihir V. Shah, Whole Time Director & Chief Financial Officer of the Company has been associated with the Company since more than 6 years as Vice-President of the Company and then he was appointed as Whole Time Director of the Company for a period of 5 years w.e.f. 1st April 2020 and also appointed as Chief Financial Officer w.e.f. 15th September, 2020.

Mr. Mihir V. Shah, aged 31 years, is a graduate in B. Pharma and Master of Business Administration (MBA)

from Narsee Monjee Institute of Management Studies, Mumbai. He completed his six months' industrial training in GlaxoSmithKline Pharmaceuticals Limited. He holds 21,28,250 Equity Shares in the Company and is part of promoter group of the Company. Under the guidance of Managing Director, his responsible area of work in the Company are finance, production management, innovation management and marketing.

Considering his knowledge and contribution made in the growth of the Company and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee, the Board of Directors of the Company in its meeting held on 14th August, 2023 revised the remuneration payable to him w.e.f. 1st April, 2023 for remaining period of his current tenure as set out at item no. 5 of the Notice, subject to the approval of the members of the Company.

The Board of Directors recommends passing of the Special Resolution as set out at item no. 5 of the Notice for approval of members of the Company.

Except Mr. Mihir V. Shah, Whole Time Director & CFO and Mr. Vipul P. Shah, Managing Director and their relatives, none of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

INFORMATION OF DIRECTORS BEING PROPOSED TO BE RE-APPOINTED OR WHOSE REMUNERATION IS PROPOSED TO BE APPROVED PURSUANT TO THE PROVISIONS OF REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD - 2 ON "GENERAL MEETINGS" IS GIVEN BELOW:

Name of the Director	Mr. Vipul P. Shah	Mr. Mihir V. Shah
Director Identification Number	00181636	05126125
Designation	Managing Director	Whole Time Director & Chief Financial Officer
Date of Birth	2 nd February, 1966	5 th July, 1992
Age	57 Years	31 Years
Date of first appointment on the Board	21 st June, 1992	1 st April, 2020
Terms and conditions of appointment / reappointment	Liable to retire by rotation	Not Applicable
Remuneration sought to be paid	₹ 9,25,000/- per month and perquisites, as detailed in the resolution set out in this Notice.	₹ 8,10,000/- per month and perquisites, as detailed in the resolution set out in this Notice.
Remuneration last drawn during the financial year 2022-23	₹ 99.00 Lakh per annum	₹ 78.10 Lakh per annum
Experience (including nature of expertise in specific functional areas / Brief Resume	Mr. Vipul Shah is a Chemical Engineer, having around 34 years of experience in chemical dye stuff and pharmaceuticals industry.	Mr. Mihir V. Shah has more than 6 years of experience in finance, production management, innovation management and marketing.
No. of equity shares held in the Company as on 31st March, 2023	28,35,675	21,28,250
No. of Board meetings attended during the financial year	4 (four)	5 (five)
Disclosure of relationship between directors and Key Managerial Personnel inter-se	Father of Mr. Mihir Shah, Whole Time Director & Chief Financial Officer of the Company.	Son of Mr. Vipul P. Shah, Managing Director of the Company.
Directorship held in other companies	1. Shree Ambika Naturals Private Limited 2. Jayapriya Chemical Industries Limited	1. Shree Ambika Naturals Private Limited 2. Jayapriya Chemical Industries Limited
Chairmanship / Membership of the Committees of other Boards	Nil	Nil
Names of listed entities from which the appointee has resigned in the past three years	Nil	Nil
Skills and capabilities required for the role and manner in which the proposed appointee meets such requirements, in case of independent director	Not Applicable	Not Applicable
Justification for choosing the appointee for appointment as Independent Director	Not Applicable	Not Applicable

The details as required under clause (iv) to second proviso of Section II B of Part II of Schedule V of the Companies Act, 2013 are given below:

I. General Information		
(1)	Nature of industry	The Company is engaged in the manufacturing of dyes, pigments and intermediates.
(2)	Date or expected date of commencement of commercial production	The Company is an existing Company and is in operations since 1972.
(3)	In case of new companies, expected date of commencement of activity as per project approved by the financial institution appearing in the prospectus	Not Applicable
(4)	Financial performance based on given indicators	EPS: ₹1.54 Return on net worth: 5.18%
(5)	Foreign investments or collaborators, if any	Nil
II. Information about the Directors		
A. Mr. Vipul P. Shah		
(1)	Background details	Mr. Vipul P. Shah, aged 57 years, is a Chemical Engineer, has around 34 years of experience in chemical dye stuff and pharmaceutical industry. He is associated with the Company since more than two decades. He is entrusted with overall management of the Company under the supervision of the Board of Directors of the Company.
(2)	Past Remuneration	₹8,25,000/- per month and perquisites
(3)	Recognition or awards	Under the guidance of Mr. Vipul P. Shah, the Company received "FIRST AWARD" for the 'Outstanding Export Performance' under the Dyes, Dye Intermediates and Pigment Panel by Export Promotion Council - Chemexcil, Government of India on 6 th January, 2011.
(4)	Job profile and his suitability	Under supervision and control of the Board of Directors, he looks after overall management of the Company. He provides his expertise in different areas of business of the Company. Taking into consideration his expertise, he is best suited for the responsibilities currently assigned to him by the Board of Directors.
(5)	Remuneration proposed	₹9,25,000/- per month and perquisites
(6)	Comparative remuneration profile with respect to industry, size of Company, profile of the position and person	At par with the industry standards in which the Company operates.

(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Except receiving remuneration as Managing Director of the Company and holding shares in the Company, Mr. Vipul P. Shah does not have any other direct or indirect pecuniary relationship with the Company. Mr. Vipul P. Shah is father of Mr. Mihir V. Shah, Whole Time Director & Chief Financial Officer of the Company. He is promoter of the Company.
B. Mr. Mihir V. Shah		
(1)	Background details	Mr. Mihir V. Shah, aged 31 years, is a graduate in B. Pharma and Master of Business Administration (MBA) from Narsee Monjee Institute of Management Studies, Mumbai. He completed his six months' industrial training in GlaxoSmithKline Pharmaceuticals Limited. He is associated with Vipul Organics Limited since more than 6 years. His areas of operations in the Company are finance, production management, innovation management and marketing.
(2)	Past Remuneration	₹6,50,000/- per month and perquisites
(3)	Recognition or awards	Mr. Mihir V. Shah is having good experience in the industry in which the Company operates.
(4)	Job profile and his suitability	He completed six months' industrial training in GlaxoSmithKline Pharmaceuticals Limited. He is associated with Vipul Organics Limited since more than 6 years as the Vice- President of the Company. Thereafter he was appointed as Whole Time Director w.e.f. 1 st April, 2020 and also appointed as Chief Financial Officer w.e.f. 15 th September, 2020. Under the guidance of Managing Director, his areas of operations in the Company are finance, production management, innovation management and marketing.
(5)	Remuneration proposed	₹8,10,000/- per month and perquisites
(6)	Comparative remuneration profile with respect to industry, size of Company, profile of the position and person	At par with the industry standards in which the Company operates.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Except receiving remuneration as Whole Time Director & Chief Financial Officer of the Company and holding shares in the Company, Mr. Mihir V. Shah does not have any other direct or indirect pecuniary relationship with the Company. Mr. Mihir V. Shah is son of Mr. Vipul P. Shah, Managing Director of the Company. He is part of promoter group of the Company.
III. Other information		
(1)	Reasons of loss or inadequate profits	Revenue from operations was at previous year levels, but the Profit for the year dipped sharply. This was primarily due to inflationary headwinds that elevated key input material prices.
(2)	Steps taken or proposed to be taken for improvement	The Company has taken cost cutting measures to improve operational efficiency and trying to increase production and sales to achieve sustainable higher margins and profitability.
(3)	Expected increase in productivity and profits in measurable terms	Though the Company plans to increase its revenues and profits, but in view of geo-economic conditions, prediction is difficult.



IV. Disclosures	
(1)	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors
(2)	Details of fixed component and performance linked incentives along with the performance criteria
(3)	Service contracts, notice period, severance fees
(4)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

The requisite details of remuneration of director is included in the Corporate Governance Report, forming part of the Annual Report for the financial year 2022-23 of the Company.

By order of the Board of Directors

For **Vipul Organics Limited**

Vipul P. Shah

Managing Director

DIN: 00181636

Place: Mumbai

Date: 14th August, 2023

Registered Office:

102, Andheri Industrial Estate,
Off Veera Desai Road, Andheri (West),
Mumbai - 400053, Maharashtra, India.

BOARD OF DIRECTORS' REPORT

To the Members,
Vipul Organics Limited

Your directors are pleased to present herewith the 51st Annual Report of your Company along with the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2023.

1. FINANCIAL HIGHLIGHTS

The financial highlights for the financial year under review compared to the previous financial year are given herein below:

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	Current Financial Year ended 31 st March, 2023	Previous Financial Year ended 31 st March, 2022	Current Financial Year ended 31 st March, 2023	Previous Financial Year ended 31 st March, 2022
Revenue from Operations	13,393.25	13,319.69	13,393.25	13,319.69
Other Income	6.48	196.29	6.48	196.29
Total Revenue	13,399.73	13,515.98	13,399.73	13,515.98
Less: Expenditure except Finance Cost & Depreciation & Tax	12,225.80	11,853.73	12,227.60	11,855.30
Profit before Finance Cost, Depreciation & Tax	1,173.93	1,662.25	1,172.23	1,660.68
Less: Finance Cost	267.12	164.10	267.12	164.10
Less: Depreciation and Amortization	632.11	522.29	632.25	522.45
Profit Before Tax	274.70	975.86	272.76	974.13
Less: Provision for Tax	77.17	277.29	85.57	277.29
Profit After Tax	197.53	698.56	187.20	696.83
Other Comprehensive Income/Loss (Net of Tax)	(6.71)	(6.90)	(6.71)	(6.90)
Total Comprehensive income attributable to: Non-Controlling Interest	-	-	(0.98)	(0.76)
Total Comprehensive income attributable to Owners of equity	190.82	691.66	180.49	689.93
Total Comprehensive Income (Net of Tax)	190.82	691.66	181.47	690.69

2. OPERATIONS

During the financial year under review, the Company earned total revenue of ₹13,399.73 Lakh (previous year ₹13,515.98 Lakh) and Net Profit after Tax of ₹197.53 Lakh (previous year ₹698.56 Lakh) on Standalone basis.

Revenue from operations was at previous year levels, but the Profit for the year dipped sharply. This was primarily due to inflationary headwinds that elevated key input material prices. Considering the muted demand, this could not be passed on to the clients.

The Company has earned consolidated revenue of ₹13,399.73 Lakh (previous year ₹13,515.98 Lakh) and consolidated Net Profit after Tax of ₹187.20 Lakh (previous year ₹696.83 Lakh), during the financial year under review.

3. CHANGE IN THE NATURE OF THE BUSINESS OF THE COMPANY

There was no change in the nature of business of the Company during the financial year under review.

4. DIVIDEND AND RESERVES

Your directors have pleasure in recommending payment of dividend @ ₹0.90/- (Ninety Paise only) being 9% per share on Equity Share of ₹10/- for the financial year ended 31st March, 2023. This will absorb total cash outflow of ₹1.15 Crore. The dividend, if approved, will be paid to those members whose names shall appear on the Register of Members / List of Beneficiaries as on Saturday, 23rd September, 2023.

During the financial year, the Company has not transferred any amount to the General Reserve.

5. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

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

6. BONUS ISSUE

To celebrate the Company's momentous occasion of completion of 50 glorious years of its existence and to reward its members for their continued support and encouragement, the Company issued and allotted 25,62,375 Bonus Equity Shares to its equity shareholders in the ratio 1:4 i.e. 1 (one) new fully paid up Equity Share of ₹10/- (Rupees Ten only) each for every 4 (four) fully paid-up Equity Shares of ₹10/- (Rupees Ten only) each on 11th April, 2022.

7. SHARE CAPITAL

As on 31st March, 2023, the Authorized Share Capital of the Company was ₹13,50,00,000/-

(Rupees Thirteen Crore Fifty Lakh only) divided into 1,35,00,000 Equity Shares of ₹10/- each.

After allotment of 25,62,375 Bonus Shares as aforesaid, the issued, subscribed and paid-up Equity Share Capital of the Company stood at ₹12,81,18,750/- comprising of 1,28,11,875 Equity Shares of ₹10/- each.

8. "VIPUL ORGANICS LIMITED – EMPLOYEE STOCK OPTION SCHEME 2022 ("VOL – ESOS 2022")

As a part of the 50 years' celebrations and to reward its employees for their continued hard work, dedication and support which has led the Company on the growth path, the Company has introduced "VIPUL ORGANICS LIMITED - EMPLOYEE STOCK OPTION SCHEME 2022 ("VOL - ESOS 2022")" w.e.f. 1st April, 2022. Under the VOL – ESOS 2022, total 2,00,000 Equity Shares of ₹10/- each are reserved for issue and allotment to the employees upon exercise of even number of options to be granted to the eligible employees of the Company from time to time.

A certificate, as required under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, received from M/s. M Baldeva Associates, Company Secretaries, Thane, certifying that the Scheme has been implemented in accordance with aforesaid regulations and in accordance with the Special Resolution passed by the members of the Company through postal ballot process on 31st March, 2022, will be placed before the shareholders at the AGM.

The details / disclosures as required under the Companies Act, 2013 and Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be placed on the website of the Company and can be accessed at www.vipulorganics.com.

9. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 125 of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid / unclaimed dividends are required to be transferred by the Company to the

IEPF established by the Government of India after the completion of seven years. Further, according to the said Rules, the shares on which dividend remained unpaid or unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, during the financial year 2022-23, the Company transferred 21,780 Equity Shares to the demat account of the IEPF Authority as required under the IEPF Rules for the dividend remained unclaimed / unpaid upto the financial years 2014-15.

In terms of the provisions of Section 125 of the Companies Act, 2013 and the said Rules, during the financial year 2022-23, an amount of ₹2,03,676/- being remained unpaid / unclaimed dividend for the financial year 2014-15 was transferred to the IEPF.

Further, the unpaid / unclaimed dividend amount lying with the Company for financial year 2015-16 is due for transfer to the IEPF in the month of October, 2023. The details of the same are available on the Company's website viz. www.vipulorganics.com.

Mrs. Krina Sanghvi, Company Secretary and Compliance Officer of the Company was appointed as Nodal Officer to ensure compliance with the IEPF Rules on 17th December, 2021. Upon resignation of Mrs. Krina Sanghvi w.e.f. 30th July, 2022, Mr. Dheerendra Verma, Company Secretary and Compliance Officer of the Company was appointed as Nodal Officer to ensure compliance with the IEPF Rules w.e.f. 25th August, 2022.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As on 31st March, 2023, the Board comprised of six directors including one independent women director. The Board has an appropriate mix of Executive, Non-Executive and Independent Directors, which is in compliance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is also aligned with the best practices of Corporate Governance.

I. Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with Companies

(Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Vipul P. Shah (DIN: 00181636), Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

II. Appointment and re-appointment

Dr. Shiv Nath Sahai (DIN: 00332652), who retired by rotation at previous 50th Annual General Meeting held on 14th September, 2022, was reappointed as director of the Company in terms of provisions of Section 152(6) of the Act.

Pursuant to the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company appointed Mr. Dheerendra Verma as Company Secretary and Compliance Officer of the Company w.e.f. 25th August, 2022.

Brief resume of directors proposed to be re-appointed / remuneration to be approved as stipulated under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 (SS-2) issued by the Institute of Company Secretaries of India (ICSI), are provided in Notice of 51st Annual General Meeting of the Company.

III. Cessation

Mrs. Krina Sanghvi, Company Secretary and Compliance Officer of the Company resigned from the services of the Company w.e.f. closing working hours of 30th July, 2022. The Board places on record its sincere appreciation for her hard work during her stint in the Company.

IV. Declaration from Independent Directors

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to

Regulation 25 of the said Regulations that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

Further, the Independent Directors have also submitted their declaration in compliance with the provision of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of Independent Director's name in the data bank of Indian Institute of Corporate Affairs ("IICA") till they continue to hold the office of an independent director.

None of the directors of your Company are disqualified under the provisions of Section 164(2) of the Companies Act, 2013. Your directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In opinion of the Board, all the independent directors are persons of integrity and possess relevant expertise and experience.

V. Annual performance evaluation by the Board

The Board has devised a policy pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for performance evaluation of the chairman, board, individual directors (including independent directors) and committees which includes criteria for performance evaluation of non-executive directors and executive directors.

The Nomination and Remuneration Committee of the Company has specified the manner of effective evaluation of the performance of Board, its committees and individual directors of the Company and has authorized the Board to carry out their evaluation. Based on the manner specified by the Nomination and Remuneration Committee, the Board has devised questionnaire to evaluate the performances of each of executive and non-executive and independent director. Such

questions are prepared considering the business of the Company and the expectations that the Board has from each of the directors.

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- i. Attendance at Board and Committee meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance; and
- iv. Providing perspectives and feedback going beyond information provided by the management.

The details of the programs for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: www.vipulorganics.com.

During the financial year under review, a separate meeting of the Independent Directors of the Company was held on 14th February, 2023 for evaluation of performance of non-independent directors and the Board as a whole.

VI. Key Managerial Personnel (KMP):

During the financial year under review, the following persons acted as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

Sr. No.	Name of the KMP	Designation
1	Mr. Vipul P. Shah	Managing Director
2	Mr. Mihir V. Shah	Whole Time Director & Chief Financial Officer
3	Mrs. Krina Sanghvi	Company Secretary and Compliance Officer (upto 30 th July, 2022)
4	Mr. Dheerendra Verma	Company Secretary and Compliance Officer (w.e.f. 25 th August, 2022)

11. MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company's business, policies and strategies. A tentative annual calendar of the Board and Committee meetings is informed to the directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of special and urgent business need, the directors' approval is also taken by passing resolutions through circulation, as permitted by law, which is noted in the subsequent Board meeting.

The notice of Board and Committee meetings is given well in advance to all the directors of the Company. Meetings of the Board are held in Mumbai, Maharashtra. The agenda of the Board / Committee meetings is circulated 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the directors to take informed decisions.

The Board met 5 (five) times during the financial year under review as per details given in the Report on Corporate Governance which forms part of this Report. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. COMMITTEES OF THE BOARD

In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted three committees of the Board, namely:

1. Audit Committee;
2. Stakeholders' Relationship Committee; and
3. Nomination and Remuneration Committee.

Details of all the Committees along with their terms of reference, composition, changes, if any and meetings held during the financial year under review are provided in the Report on Corporate Governance, forming part of this Report.

13. AUDIT COMMITTEE AND ITS COMPOSITION

As on 31st March, 2023, the Audit Committee comprised of Mr. Prasannakumar B. Gawde, Mr. Jagdeep Y. Mehta, Independent Directors and Mr. Vipul P. Shah, Managing Director of the Company.

Mr. Prasannakumar B. Gawde is the Chairman of Audit Committee of the Company. The Company Secretary and Compliance Officer of the Company acts as Secretary of the Audit Committee. All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company. Other details with respect to Audit Committee are given in Report of Corporate Governance, forming part of this Report.

The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process and vigil mechanism.

14. REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on recommendation of the Nomination & Remuneration Committee, the Board of Directors have adopted a policy for selection and appointment of Directors, Key Managerial Personnel ('KMPs'), Senior Management Personnel ('SMPs') and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other related matters.

The Remuneration Policy has been placed on the website of the Company viz. www.vipulorganics.com.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Your directors to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, state that:

- a. in the preparation of the annual accounts,

the applicable accounting standards had been followed along with proper explanations relating to material departures, if any;

- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2023 and of the profit of the Company for the financial year under review;
- 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 on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; 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.

16. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

17. DEPOSITS

During the financial year under review, the Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Companies Act, 2013

read with the Companies (Acceptance of Deposits) Rules, 2014.

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

The details of loans or guarantees given and investments made by the Company falling under Section 186 of the Companies Act, 2013 are given under Notes to Accounts on the Financial Statements.

19. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in the exceptional cases. The said policy has been elaborated in the Report on Corporate Governance and can be accessed on the Company's website at www.vipulorganics.com.

We affirm that during the financial year 2022-23, no director or employee was denied access to the Chairman of the Audit Committee.

20. RISKS AND AREAS OF CONCERN

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is carried out to identify, evaluate, manage and monitor both business and non-business risks. The Board periodically reviews the risks and suggests the steps to be taken to control and mitigate the same through a properly defined framework.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

All the transactions with related parties entered into during the financial year under review were in ordinary course of business on arm's length basis. No material Related Party Transactions were entered into during the financial year under review

by the Company. Accordingly, the disclosure of material Related Party Transactions, as required under Section 134(3) of the Companies Act, 2013, in Form AOC-2 is not applicable.

In accordance with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the policy on Related Party Transactions and the same is available on the Company's website at www.vipulorganics.com.

22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no significant or material order passed by any Regulator or Court or Tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in the future.

23. ANNUAL RETURN

As required under Section 92(3) read with the Section 134(3)(a) of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the copy of Annual Return as on 31st March, 2023 will be placed on the website of the Company and can be accessed at https://www.vipulorganics.com/annual_report_of_company.htm.

24. STATUTORY AUDITORS

As per provisions of the Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company in their 50th Annual General Meeting held on 14th September, 2022 appointed M/s. J. A. Rajani & Co., Chartered Accountants, Mumbai (having FRN: 108331W), as Statutory Auditors of the Company for a term of 5 consecutive years i.e. to hold office from the conclusion of 50th Annual General Meeting till the conclusion of 55th Annual General Meeting of the Company to be held for the financial year ending 31st March, 2027.

M/s. J. A. Rajani & Co., Chartered Accountants, have furnished written confirmation to the effect

that they are not disqualified from acting as the Statutory Auditors of the Company in terms of the provisions of Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules 2014.

25. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. M Baldeva Associates, Company Secretaries, Thane to undertake Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report is appended as **Annexure – I** and forms part of this Report.

26. INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Act read with Companies (Accounts) Rules, 2014, the Board, on recommendation of the Audit Committee, appointed M/s. Mukund Rohit & Co., Chartered Accountants, Mumbai, as Internal Auditors of the Company for the financial year 2022-23. The Internal Auditors monitor and evaluate the effectiveness and adequacy of internal control systems in the Company, its compliances with the operating systems, accounting procedure and polices at all locations of the Company and reports to the Audit Committee on the quarterly basis.

27. COST AUDITORS AND COST RECORDS

The Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained in the prescribed manner. However, during the financial year under review, the Company was not required to carry Cost Audit.

28. REMARKS ON QUALIFICATION BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS

The Statutory Auditors have not made any qualifications, observation or adverse remark in their Audit Reports on the Standalone and Consolidated Financial Statements.

With respect to observation made by the Secretarial Auditors in their report, we would like to state that

delay in filing of some e-forms with the Registrar of Companies was due to oversight.

Further, none of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act.

29. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied with the provisions relating to the constitution of the Internal Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, there was no complaint filed before the said Committee and there was no complaint pending at the beginning or end of the financial year under review.

30. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and your directors confirm compliance of the same during the financial year under review.

31. SUBSIDIARY COMPANY, JOINT VENTURES AND ASSOCIATE COMPANIES

Shree Ambika Naturals Private Limited is a subsidiary of the Company. The Company had no Joint Venture or Associate Company during the financial year under review.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of Shree Ambika Naturals Private Limited, in Form AOC-1, is annexed as **Annexure II** and forms part of this Report.

32. CONSOLIDATED AUDITED FINANCIAL STATEMENTS

Pursuant to the provisions of Sections 129 and 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared Consolidated Audited Financial Statements consolidating financial statements of its subsidiary company namely "Shree Ambika Naturals Private Limited" with its financial statements in accordance with the applicable provisions of Indian Accounting Standards ("Ind-AS").

The Consolidated Financial Statements along with the Independent Auditors' Report thereon is annexed and form part of this Report.

The summarized consolidated financial position is provided above in point no. 1 of this Report.

33. MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following have been made part of and attached to this Annual Report:

- a. Management Discussion and Analysis Report;
- b. Report on Corporate Governance;
- c. Declaration on compliance with Code of Conduct;
- d. Auditors' certificate regarding compliance with conditions of Corporate Governance; and
- e. Certificate from Practicing Company Secretary that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies.

34. MANAGERIAL REMUNERATION AND OTHER DETAILS

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as **Annexure –III** and forms part of this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this Report. Further in terms of Section 136 of the Act, the report and accounts are being sent to the members excluding the aforesaid annexure. The said annexure is available for inspection at the corporate office of the Company during the working hours on all working days (except Saturday up to the date of AGM) and any member interested in obtaining copy of the same may write to the Company Secretary and Compliance Officer of the Company and the same will be furnished on request.

35. CORPORATE SOCIAL RESPONSIBILITY

The details of the initiatives taken by the Company as per the provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended are given in **Annexure IV**, which forms part of this Report.

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts)

Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo are given in **Annexure V**, which forms part of this Report.

37. LISTING:

The Equity shares of the Company continue to be listed on BSE Limited.

38. CREDIT RATINGS:

India Ratings and Research Private Limited has reaffirmed the following credit ratings for Company's long term and short-term instruments:

Sr. No.	Name of the Credit Rating Agency	Facilities	Ratings
1.	Acuite Ratings & Research	Total Facilities Rated	₹30 Crore
		Long term Rating	ACUITE BBB- / Outlook: Stable (Assigned)
		Short term Rating	ACUITE A3 (ASSIGNED)

39. DETAILS OF PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the financial year under review, no application was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016 nor any such proceeding was pending at the end of the financial year under review.

40. VALUATION OF ASSETS

During the financial year under review, there was no instance of one-time settlement of loans / financial assistance taken from Banks or Financial Institutions, hence the Company was not required to carry out valuation of its assets for the said purpose.



41. ACKNOWLEDGEMENT

Your directors wish to place on record their deep sense of appreciation for the valuable services and the contribution made by the Company's employees at all levels for their continual growth and prosperity of the Company. The industrial relations continued to be cordial during the financial year under review.

The directors also wish to place on record its appreciation for the continued co-operation and assistance received by the Company from its Customers, Vendors, Shareholders, Financial Institutions, Bankers, Business Associates & Government Authorities during the financial year under review.

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Place: Mumbai

Date: 14th August, 2023

Vipul P. Shah

Managing Director

DIN: 00181636

Mihir V. Shah

Whole Time Director & CFO

DIN: 05126125

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to the provisions of 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,

Vipul Organics Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vipul Organics Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation of the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit Period covering the financial year ended **31st March, 2023** ('Audit Period') 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.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the Audit Period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- (vi) As informed and certified by the management of the Company, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section / industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India.

During the Audit Period, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above, however, as required under Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company did not have Company Secretary and Compliance Officer during the period from 31st July, 2022 to 24th August, 2022, *except delay in filing of some e-forms with Registrar of Companies, Mumbai, Maharashtra.*

I further report that

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

Adequate notices were given to all directors and members to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All decisions at Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the respective meetings.

I 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.

I further report that during the Audit Period, the Company issued and allotted 25,62,375 Bonus Equity Shares having face value of ₹10/- each on 11th April, 2022 to the equity shareholders of the Company whose names appeared in the Register of Members / List of Beneficiaries of the Company as on 9th April, 2022. There was no other event having major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc.

For **M Baldeva Associates**
Company Secretaries

CS Manish Baldeva
Proprietor

M. No. FCS 6180; C.P. No. 11062
Peer Review No. 1436/2021
UDIN: F006180E000427931

Place: Thane
Date: 30th May, 2023

1. This report is to be read with my letter of even date which is annexed as Annexure - I and forms an integral part of this report.

To,
The Members,
Vipul Organics Limited

My report of even date is to read along with this letter.

1. Maintenance of secretarial records is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M Baldeva Associates**
Company Secretaries

CS Manish Baldeva
Proprietor

M. No. FCS 6180; C.P. No. 11062
Peer Review No. 1436/2021
UDIN: F006180E000427931

Place: Thane
Date: 30th May, 2023

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakh)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Shree Ambika Naturals Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
4.	Share capital	104.55
5.	Reserves & surplus	-30.46
6.	Total assets	77.34
7.	Total Liabilities	3.25
8.	Investments	0
9.	Turnover	34.20
10.	Profit before taxation	6.16
11.	Provision for taxation	8.40
12.	Profit after taxation	-2.23
13.	Proposed Dividend	0
14.	% of shareholding	56.04% of Equity Shares and 100% of 1.5% Non-Cumulative Optionally Convertible Preference Shares

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: N.A.
- Names of subsidiaries which have been liquidated or sold during the financial year: N.A.

Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any Associate and Joint Venture.

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah

Managing Director
DIN: 00181636

Mihir V. Shah

Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai

Director
DIN: 00332652

Dheerendra Verma

Company Secretary & Compliance Officer
Membership No.: A67817

Place: Mumbai

Date: 14th August, 2023

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2023:

Sl. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1.	Mr. Vipul P. Shah	29.17
2.	Mr. Mihir V. Shah	22.99

(Median remuneration of the employees of the Company for the financial year 2022-23 is ₹3,39,778/-)

- (ii) The percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year ended 31st March, 2023:

Sl. No.	Name	Designation	% increase over last F.Y.
1.	Mr. Vipul P. Shah	Managing Director	10
2.	Mr. Mihir V. Shah	Whole-time Director & CEO	20
3.	Mrs. Krina Sanghvi (upto 30 th July 2022)	Company Secretary &	NA
4.	Mr. Dheerendra Verma (w.e.f. 25 th August 2022)	Compliance Officer	NA

- (iii) The percentage increase in the median remuneration of employees in the financial year: 18%
- (iv) The number of permanent employees on the rolls of the Company: 125 (as on 31st March, 2023)
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentile increase in remuneration of employees is 27% and managerial personnel is 14%
- (vi) We hereby confirm that the remuneration paid is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Place: Mumbai

Date: 14th August, 2023

Vipul P. Shah

Managing Director

DIN: 00181636

Mihir V. Shah

Whole Time Director & CFO

DIN: 05126125

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
FOR THE FINANCIAL YEAR 2022-23**

1. Brief outline of CSR Policy of the Company:

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

- To make CSR a key business process for sustainable development for the society.
- To aim at supplementing the role of the Government in enhancing welfare measures of society based on the immediate and long term social and environmental consequences of their activities.
- To directly or indirectly take-up programmes that benefit the communities in vicinity where the Company operates and results, over a period of time, in enhancing the quality of life & economic wellbeing of the local populace.
- Contributing to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society.
- Collaborating with communities and institutions to contribute to the national mission of eradicating poverty and hunger, especially in rural areas, through agriculture research and knowledge sharing, conservation and development of forest resources, empowering women economically, supplementing primary education and participating in rural capacity building programs and such other initiatives.

2. Composition of CSR Committee:

The amount to be spent by the Company towards Corporate Social Responsibility ("CSR") activities does not exceed ₹50 Lakh during the financial year, hence the requirement for constitution of CSR Committee is not applicable to the Company and functions of the Committee provided under Section 135 of the Companies Act, 2013 are discharged by the Board of Directors of the Company.

3. The web-link where CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The CSR Policy and CSR Projects approved by the Board of Directors of the Company can be viewed at: <https://www.vipulorganics.com/policies.htm>.

4. Provide the executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company is not required to carry out the Impact Assessment of CSR projects in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as the said rule is not applicable to the Company.

5. a) **Average net profit of the company as per section 135(5):** ₹ 843.99 Lakh
- b) **Two percent of average net profit of the company as per section 135(5):** ₹ 16.88 Lakh
- c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
- d) **Amount required to be set off for the financial year, if any:** Nil
- e) **Total CSR obligation for the financial year:** ₹16.88 Lakh

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 17.50 Lakh
- b) **Amount spent in Administrative Overheads:** Nil
- c) **Amount spent on Impact Assessment, if applicable:** Not Applicable
- d) **Total amount spent for the Financial Year:** ₹17.50 Lakh
- e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ in Lakh)	Amount Unspent (₹ in Lakh)				
	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 the Fund	Amount	Date of Transfer
17.50	Nil	N.A.	N.A.	Nil	N.A.

- f) **Excess amount for set off, if any**

Sr. No.	Particulars	Amount (₹ in Lakh)
1.	Two percent of average net profit of the company as per section 135(5)	16.88
2.	Total amount spent for the Financial Year	17.50
3.	Excess amount spent for the financial year [(ii)-(i)]	0.62
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.62*

*The Company has spent in excess of mandatory requirement under the Companies Act, 2013, however the same is not proposed to be carried forward for set-off in forthcoming financial years.

7. **Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any.	Amount remaining to be spent in succeeding financial years (₹ in Lakh)	Deficiency, if any
		(₹ in Lakh)	(₹ in Lakh)	(₹ in Lakh)	Amount (₹ in Lakh)	Date of transfer	
							Nil

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

If Yes, enter the number of Capital assets created/ acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Lakh)	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not applicable							

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Place: Mumbai

Date: 14th August, 2023

Vipul P. Shah

Managing Director

DIN: 00181636

Mihir V. Shah

Whole Time Director & CFO

DIN: 05126125

Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A	Conservation of energy	
(i)	the steps taken or impact on conservation of energy	The Company is conscious about the energy conservation and has kept constant supervision so as to avoid any leakage, stripping, etc. The power meters are also regularly checked. However, the management, wherever possible, shall try to replace machinery which is found defective by up-to-date innovated machinery, even generating sets are provided and the Company started using diesel oil since last 10 years. During the financial year, the Company purchased new control panel and installed at Palghar and Ambernath to control energy power factor.
(ii)	the steps taken by the company for utilising alternative sources of energy	
		<p>a) Your Company took many initiatives to reduce electricity consumption through productivity increase. Resources are being utilized to their optimum capacity thereby placing the least possible stress on the environment.</p> <p>b) Your Company has focused on productivity so that unit consumption per piece is reduced.</p>
(iii)	the capital investment on energy conservation equipment	During the financial year 2022-23, 2 VFD installed for energy saving, Total amount incurred is ₹1.80 Lakh.
B	Technology absorption	
(i)	the efforts made towards technology absorption	The Company has not acquired any foreign technology so far as the technical know-how is concerned. The technology for the Company's activities is available easily in India. Hence, the question of absorption and adaptation does not arise.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	in case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):	The Company has no separate division as such of carrying out Research and Development since the Company has been using so far, the standardized methods of manufacturing Dyes and Chemicals. However, a small laboratory is in function for quality control.
	(a) the details of technology imported;	
	(b) the year of import;	
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development	The Company has not spent any expenditure on Research and Development during the financial year under review.
	Waste Water Management	ZLD system is already in place at Tarapur. Recently Polymeric bags were replaced with the upgraded quality. About ₹35 Lakh spent on this Capex.

C Foreign exchange earnings and outgo		2022-23 (₹ in Lakh)	2021-22 (₹ in Lakh)
(i)	The foreign exchange outgo (actual outflows)	1483.71	1,312.17
(ii)	The foreign exchange earned (actual inflows)	232.76	15,004.25

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah

Managing Director

DIN: 00181636

Mihir V. Shah

Whole Time Director & CFO

DIN: 05126125

Place: Mumbai

Date: 14th August, 2023

REPORT ON **CORPORATE GOVERNANCE**

[Pursuant to the provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is concerned with holding the balance between economic and social goals and between individual and societal goals. At Vipul Organics Limited, we believe that profitability must go hand in hand with a sense of responsibility towards the stakeholders.

The Company endeavors towards creating long-term value for all its stakeholders while focusing on the core principles of accountability, transparency, integrity, environment and regulatory compliances.

The Company confirms compliance with various provisions relating to Corporate Governance stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which are further elaborated in this Report.

The Company firmly believes in maintaining high standards of quality and ethical conduct in its operations.

2. CORPORATE ETHICS:

The Company adheres to the highest standards of business ethics, transparency in all its dealings and timely compliance with statutory and legal requirements.

2.1 Code of Conduct of Board Members and Senior Management:

The Board of Directors of the Company has adopted Code of Conduct for its Members and Senior Management and it is reviewed and modified periodically as per changes in applicable laws. The Code highlights Corporate Governance as the cornerstone for sustained management performance and for serving all the stakeholders and for instilling pride of association. The code has been posted on the website of the Company viz. www.vipulorganics.com.

2.2 Code of Conduct for Prevention of Insider Trading:

As per provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders for its management, directors, designated employees, its immediate relatives and other connected persons. All the directors, designated persons and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this Code. The trading window was closed during the time of declaration of results and occurrence of any material events as per the applicable regulations. The Company Secretary has been appointed as Compliance Officer of the Company and is responsible for adherence to the Code.



2.3 Vigil Mechanism:

The Company has established a vigil mechanism for employees, officers and directors, which encourages them to report any suspected violation promptly and intend to investigate any report of violations made in good faith.

2.4 Safety, Health & Environment (“SHE”) System:

The Company has adopted Safety, Health and Environment (“SHE”) System with a commitment to provide a safe and healthy working environment.

3. BOARD OF DIRECTORS:

3.1 Composition:

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on 31st March, 2023, the Board comprised of total six directors. Out of these, two directors are Executive Directors, one is Non-Executive Non-Independent Director and three are Non-Executive Independent Directors (including one Woman Independent Director).

None of the Independent Directors have any material pecuniary relationship or transaction with the Company, its Promoters, Directors, Senior Management, which would affect their independence.

Further, none of the directors on the Board is a member of more than 10 Committees and Chairperson in more than 5 Committees, across all companies in which they are director.

3.2 Board Procedure:

The agenda is prepared in consultation with the Managing Director of the Company and the Chairman of the Committees. The agenda for the meetings of the Board and its Committees, together with the relevant supporting documents is circulated well in advance before the meeting.

Matters discussed at Board Meetings generally relate to Company’s business operations, periodical quarterly results, review of the reports of the Audit Committee, other committees and compliance with their recommendations, suggestions, non-compliance with any regulatory requirements, if any and status of complaints, statutory or listing requirements etc.

3.3 Attendance at the meetings:

During the financial year under review, the Board of Directors met five (5) times on 11th April, 2022, 30th May, 2022, 11th August, 2022, 14th November, 2022 and 14th February, 2023. As stipulated, the gap between two meetings did not exceed 120 days.

Details of the composition of Board and category of Directors, their attendance at each Board meeting held during the financial year 2022-23 and at the last Annual General Meeting, their directorships in other companies and Membership / Chairmanship in Committees are as follows:

Name of Director	Category	No. of Board Meetings		Attendance at last AGM held on 14 th September, 2022	No. of directorship held in other public companies	Committee position in other Companies		No. of shares and convertible instruments held (as on 31 st March 2023)
		Held	Attended			Chairman	Member	
Mr. Vipul P. Shah	Promoter & Managing Director	5	4	Present	1	-	-	28,35,675 Equity Shares
Dr. Shiv Nath Sahai	Non-Executive, Non-Independent director	5	4	Present	1	-	-	-
Mr. Jagdeep Y. Mehta	Independent Director	5	5	Absent	-	-	-	-
Mr. Prasannakumar B. Gawde	Independent Director	5	5	Present	-	-	-	-
Mrs. Megha S. Bhati	Independent Director	5	5	Present	-	-	-	-
Mr. Mihir V. Shah	Whole Time Director & CFO	5	5	Present	1	-	-	21,28,250 Equity Shares

Note:

- The directorship and number of Committee positions held by directors as mentioned above does not include directorships and committee positions in private companies / high value debt listed entities / companies incorporated under Section 8 of the Act / foreign companies as on 31st March, 2023.
- Membership/Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee of all public companies / subsidiary of public companies, as provided under Regulation 26(1)(b) of the Listing Regulations, have been considered and membership includes positions as chairmanship of the committee.
- None of the directors hold directorships in more than 7 listed entities, membership in more than 10 committees and chairmanship in more than 5 committees.
- Except Mr. Vipul P. Shah and Mr. Mihir V. Shah, no other director is related to any other director on the Board.
- As on 31st March, 2023, None of non-executive directors hold any shares / convertible securities in the Company.
- Details of directorships including the category of directorships as on 31st March, 2023:

Sr. No.	Name of the Director	Name of the Listed Entity	Directorship Details
1.	Mr. Vipul P. Shah	Vipul Organics Ltd.	Managing Director, Promoter
2.	Dr. Shiv Nath Sahai	Vipul Organics Ltd.	Non-Executive Non-Independent Director
3.	Mr. Jagdeep Y. Mehta	Vipul Organics Ltd.	Non-Executive, Independent Director
4.	Mr. Prasannakumar B. Gawde	Vipul Organics Ltd.	Non-Executive, Independent Director
5.	Mrs. Megha S. Bhati	Vipul Organics Ltd.	Non-Executive, Independent Director
6.	Mr. Mihir V. Shah	Vipul Organics Ltd.	Whole Time Director & CFO, Promoter Group

3.4 Directors' familiarization programme:

The Company undertakes and makes necessary provision for appropriate induction programme for new directors and ongoing training for existing directors. The new directors are introduced to the Company culture through appropriate training programmes. Such kind of training programmes help in developing relationship of the directors with the Company and familiarize them with the Company's processes. The management provides such information and training either at the meeting of the Board of Directors or otherwise.

The induction process is designed to:

- Build an understanding of the Company's processes; and
- Fully equip directors to perform their role on the Board effectively.

Upon appointment, directors receive Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of director's induction and familiarization programmes are available on the Company's website viz. <http://vipulorganics.com/policies.htm>.

3.5 Matrix of Core Skills / Experience / Competencies of the Board of Directors:

The Board comprises of persons with varies experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The following are the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business for it to function effectively, efficiently and those available with the Board as a whole and the specific areas of focus or expertise of individual board members have been highlighted hereunder:

Core skills / competencies /Expertise and Description	Name of the Directors					
	Mr. Vipul P. Shah	Dr. Shiv Nath Sahai	Mr. Jagdeep Y. Mehta	Mr. Prasanna Kumar B. Gawde	Mrs. Megha S. Bhati	Mr. Mihir V. Shah
Sales & Marketing: Experience in developing strategies to grow sales and market share and marketing management based on understanding of the industry.	√	√	√	-	√	√
Global Business experience: Experience in leading businesses in different geographies/markets around the world with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks, and a broad perspective on global market opportunities.	√	√	√	-	√	√
General Management/Governance: Strategic thinking, decision making and protect interest of all stakeholders;	√	√	√	√	√	√
Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.	√	√	√	√	√	√
Technical Skills: Technical skills and professional skills and knowledge including legal and regulatory aspects.	√	√	√	√	√	√

3.6 Separate meeting of Independent Directors:

As stipulated in the Code for Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th February, 2023 to review the performance of Non-Independent Directors and the Board as a whole and also the flow of information between the Board and the Management of the Company.

3.7 Criteria for appointment of Independent Directors:

The Nomination and Remuneration Committee while considering the proposal for appointment of Independent Directors also considers the criteria of independence prescribed under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors of the Company also confirms that all the Independent Directors of the Company have complied with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding enrollment in the Data Bank for Independent Directors as required under Notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs in this regard.

3.8 Terms and conditions for appointment of Independent Directors:

Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. Formal Letter of appointment has been given to Independent Directors at the time of their appointment / re-appointment. The terms and conditions of appointment / re-appointment of Independent Directors has been disclosed on the website of the Company at www.vipulorganics.com.

3.9 Declaration by the Board:

In the opinion of the Board of Directors of the Company, the Independent Directors fulfill the conditions specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations and they are Independent of the management.

Further, all the Independent Directors of the Company have affirmed compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding enrollment in the Data Bank for Independent Directors as required under Notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs in this regard.

None of the Independent Director serves as Independent Director in more than 7 listed companies.

3.10 Resignation of Independent Director:

None of the Independent Directors resigned during the financial year 2022-23.

3.11 Agenda:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the unpublished price sensitive information, which is circulated in the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the last meetings of all the Board and Committees for the information of the Board. Agenda papers are circulated seven days prior to the Board / Committee Meetings. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the next meeting.

A. COMMITTEES OF THE BOARD:

4. AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee.

4.1 Terms of reference:

The terms of reference of the Committee are wide. Besides having access to all the required information from the Company, the Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. The brief description of terms of reference is as follows:

- Reviewing the performance of the Company as reflected in the financial statements and also compliance with accounting policies and practices, regulatory requirements concerning the said financial statements;
- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment / re-appointment / removal of Auditors, fixation of audit fees and also approval of payments for any other services;
- Review with management the quarterly / half yearly / yearly financial statements with the primary focus on accounting policies and practices, compliances with accounting standards and with the stock exchange and legal requirements concerning the financial statements;
- Reviewing with management, Statutory and Internal Auditors adequacy of the Internal Control Systems in the Company;
- Discussing with Internal and Statutory Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them;
- Reviewing the Company's financial and risk management policies;
- Compliance with the Stock Exchange and legal requirements concerning financial statements; and
- Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and / or Committee of Directors of the Company.

In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the Listing Regulations read with Section 177 of the Act.

4.2 Composition of the Committee:

As on 31st March, 2023, the Committee comprised of two Non-Executive Independent Directors and one Executive Director having financial background and knowledge in the areas of business of the Company. The Committee comprised of Mr. Prasannakumar B. Gawde, Mr. Jagdeep Y. Mehta and Mr. Vipul P. Shah as its members. Mr. Prasannakumar B. Gawde, Non-Executive Independent Directors of the Company is Chairman of the Committee and he was present at the 50th AGM of Company held on 14th September, 2022. All members of the Audit Committee are financially literate and have related financial management expertise by virtue of their comparable experience and background. The partners / authorized representatives of Statutory Auditors and Internal Auditors are invited to the meetings of the Audit Committee, as and when required.

The Company Secretary and Compliance officer of the Company acts as Secretary to the Committee.

4.3 Meetings and attendance during the financial year:

During the financial year under review, 4 (four) meetings of the Audit Committee were held on 30th May, 2022, 11th August, 2022, 14th November 2022 and 14th February, 2023.

The composition of the Committee and the number of meetings attended by each member during the financial year ended 31st March, 2023 is as under:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. Prasannakumar B. Gawde	Chairman	4	4
Mr. Jagdeep Y. Mehta	Member	4	4
Mr. Vipul P. Shah	Member	4	3

5. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee, *inter alia*, recommends the appointment and remuneration payable to executive directors, key managerial personnel ("KMP") and senior management personnel ("SMP") of the Company.

5.1. Terms of reference:

The broad terms of reference of the Nomination and Remuneration Committee, *inter-alia*, are:

- To formulate criteria for determining qualifications, positive attributes and independence of a director;
- Formulate criteria for evaluation of Independent Directors and the Board;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in the Company's policy;
- To carry out evaluation of every director's performance;
- To recommend to the Board the appointment and removal of directors and senior management;
- To recommend to the Board policy relating to remuneration of directors, key managerial personnel and senior management. The Remuneration Policy is available on the website of the Company at www.vipulorganics.com.
- To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- To devise a policy on Board diversity;
- To determine terms and conditions for appointment of independent directors. The same is also available on the website of the Company at www.vipulorganics.com.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

5.2. Composition:

As on 31st March, 2023, the Nomination and Remuneration Committee comprised of Mr. Prasannakumar B. Gawde, Mr. Jagdeep Y. Mehta and Mrs. Megha S. Bhati as its members. Mr. Prasannakumar B. Gawde, Non-Executive Independent Directors of the Company is Chairman of the Committee and he was present at the 50th AGM of Company held on 14th September, 2022.

The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

5.3. Meetings and attendance during the financial year:

During the financial year under review, the Nomination and Remuneration Committee met 2 (two) times on 30th May, 2022 and 11th August 2022.

The composition of the Committee and number of meetings attended by each member during the financial year ended 31st March, 2023 is as under:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. Prasannakumar B. Gawde	Chairman	2	2
Mr. Jagdeep Y. Mehta	Member	2	2
Mrs. Megha S. Bhati	Member	2	2

5.4. Performance evaluation criteria for Independent Directors:

Pursuant to the provisions of Section 178(2) of the Act read with Regulation 17(10) of the Listing Regulations, the Board of Directors of the Company has evaluated the performance of each Independent Director and fulfillment of the independence criteria as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and their independence from the management. The questionnaires are prepared considering the business of the Company. The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- Attendance at Board and Committee Meetings;
- Quality of contribution to Board deliberations;
- Strategic perspectives or inputs regarding future growth of the Company and its performances; and
- Providing perspectives and feedback going beyond information provided by the management.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Board of Directors has duly constituted the Stakeholders' Relationship Committee.

6.1 Brief terms of reference:

The Stakeholders' Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transfer / transmission / demat / remat of shares and other miscellaneous complaints. This Committee is also responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. In addition, the terms of reference of this committee includes as provided under provisions of Regulation 20 read with Schedule II Part D (B) of the Listing Regulations.

6.2 Composition:

As on 31st March, 2023, the Committee comprised of Mr. Prasannakumar B. Gawde, Mr. Mihir V. Shah and Mr. Vipul P. Shah as its members. Mr. Prasannakumar B. Gawde, Non-Executive Independent Directors of the Company is Chairman of the Committee and he was present at the 50th AGM of Company held on 14th September, 2022. The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

Mrs. Krina Sanghvi, Company Secretary and Compliance Officer of the Company acted as the Secretary to the Committee upto 30th July, 2022 and Mr. Dheerendra Verma was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 25th August, 2022.

6.3 Meetings and attendance during the financial year:

During the financial year under review, the Stakeholders' Relationship Committee met 4 (four) times on 30th May, 2022, 11th August, 2022, 14th November, 2022 and 14th February, 2023.

The composition of the Committee and number of meetings attended by each member during the financial year ended 31st March, 2023 is as under:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Mr. Prasannakumar B. Gawde	Chairman	4	4
Mr. Vipul P. Shah	Member	4	3
Mr. Mihir V. Shah	Member	4	4

6.4 Status of Investor complaints:

At the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
0	0	0	0

6.5 Name and Address of the Compliance Officer:

Mrs. Krina Sanghvi, Company Secretary and Compliance Officer (upto 30th July, 2022)

Mr. Dheerendra Verma, Company Secretary and Compliance Officer (w.e.f. 25th August, 2022)

E-mail : companysecretary@vipulorganics.com

Phone No. : 022-66139999

Corporate Office : B 603-A, Kaledonia, Sahar Road, Off. W. E. Highway, Andheri East, Mumbai – 400 069.

7. RISK MANAGEMENT COMMITTEE:

During the financial year under review, the Company was not required to constitute Risk Management Committee under Regulation 21 of the Listing Regulations.

8. SENIOR MANAGEMENT:

Particulars of Senior Management including the changes therein since the close of the previous financial year are as follows:

Sr. No.	Name of the Senior Management Personnel	Designation	Changes since the close of previous financial year
1.	Mrs. Mita V. Shah	President	No Change
2.	Mr. Mihir V. Shah	Chief Financial Officer	No Change
3.	Mrs. Krina Sanghvi	Company Secretary and Compliance Officer	Resigned w.e.f. 30 th July, 2022
4.	Mr. Dheerendra Verma	Company Secretary and Compliance Officer	Appointed on 25 th August, 2022
5.	Ms. Dipti Mehta	G. M. Procurement	No Change
6.	Mr. Prasad Jambavdekar	G. M. F&A	No Change
7.	Mr. Timir Shah	Marketing Manager	No Change

9. REMUNERATION OF DIRECTORS:

- (1) The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year 2022-23.
- (2) The Non-Executive Directors are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee Meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company are not entitled to participate in VOL ESOS, 2022 of the Company.

- (3) Details of remuneration and sitting fees paid to the directors:

Details of remuneration / sitting fees paid during the financial year 2022-23 and number of shares held as on 31st March, 2023 by the directors of the Company are as follows:

(Amount in ₹)						
Name of the Directors	Salary & Perquisites	Performance/ Incentive/ Bonus	Commission	Sitting Fees	Total	No. of Shares held
Mr. Vipul P. Shah	99,00,000	-	-	-	99,00,000	28,35,675
Dr. Shiv Nath Sahai	-	-	-	30,000	30,000	-
Mr. Jagdeep Y. Mehta	-	-	-	67,500	67,500	-
Mr. Prasannakumar B. Gawde	-	-	-	87,500	87,500	-
Mrs. Megha S. Bhati	-	-	-	47,500	47,500	-
Mr. Mihir V. Shah	78,10,000	-	-	-	78,10,000	21,28,250

- The above details of remuneration or fees paid include all elements of remuneration package of individual directors summarized under major heads.
- Apart from the above mentioned remuneration or fees paid, there are no other fixed component and performance linked incentives based on the performance criteria;
- As on 31st March, 2023, no stock options were granted to any of the directors of the Company.
- No remuneration / compensation is paid to Non-Executive Directors, except sitting fees for attending board and committee meetings.
- The Company has not entered into service contracts with directors. The tenure of office of the Managing Director and Whole Time Directors is for Five years from their respective dates of appointment, and can be terminated by either party by giving two months' notice in writing. There is no separate provision for payment of severance fees.

10. GENERAL BODY MEETINGS:

10.1 Details of the date, time location of the last three Annual / Extra Ordinary General Meetings are given below:

Financial Year	Date	Time	Venue
2022-23	14 th September, 2022 (AGM)	04.30 p.m.	Meeting conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)
2021-22	16 th September, 2021 (AGM)	10.30 a.m.	Meeting conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)
2020-21	30 th January, 2021(EGM)	10:30 a.m.	Meeting conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)
2020-21	30 th September, 2020 (AGM)	9:50 a.m.	Meeting conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)

10.2 Special Resolutions passed in last three Annual / Extra Ordinary General Meetings:

Date of Meetings	Particulars of Special Resolution
14 th September, 2022 (AGM)	<ol style="list-style-type: none"> 1) Approval of the revision in remuneration payable to Mr. Vipul P. Shah (DIN: 00181636), Managing Director of the Company. 2) Approval of the revision in remuneration payable to Mr. Mihir V. Shah (DIN: 05126125), Whole Time Director and Chief Financial Officer of the Company. 3) Approval of the re- appointment of Mr. Vipul P. Shah (DIN: 00181636), as Managing Director of the Company.
16 th September, 2021 (AGM)	<ol style="list-style-type: none"> 1) Approval of the revision in remuneration payable to Mr. Mihir V. Shah (DIN: 05126125), Whole Time Director and Chief Financial Officer of the Company. 2) Approval of the revision in remuneration payable to Mr Vipul P. Shah (DIN: 00181636), Managing Director of the Company.
30 th January, 2021 (EGM)	<ol style="list-style-type: none"> 1) Issue and Allotment of Warrants on Preferential basis. 2) Increase in Authorized Share Capital and consequent amendment in Memorandum of Association of the Company.
30 th September, 2020 (AGM)	<ol style="list-style-type: none"> 1) Appointment of Mr. Mihir V. Shah (DIN: 05126125) as Whole Time Director of the Company and revision in remuneration. 2) Continuation of directorship of Dr. Shiv Nath Sahai (DIN: 00332652) as Non-Executive Director of the Company.

10.3 Postal Ballot:

During the year under review, no resolution was passed through Postal Ballot process.

None of the business proposed to be transacted at the ensuing AGM is required to be transacted through postal ballot.

11. MEANS OF COMMUNICATION:

11.1. The Company has published quarterly / half yearly / Annual results as per details mentioned below:

Newspapers	Date of Board Meeting	Date of Publication
Financial Express (English- All India Edition)	30-05-2022	01-06-2022
Mumbai Lakshadweep (Marathi)	11-08-2022	12-08-2022
	14-11-2022	16-11-2022
	14-02-2023	16-02-2023

11.2. Website:

The Company's website www.vipulorganics.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

11.3. News releases, presentations, among others:

During the financial year, the Company has not made any presentation to Institutional Investors and Analysts. All Corporate Announcements made to the BSE Limited during the financial year 2022-23 are available on the website of the Company.

12. GENERAL INFORMATION FOR SHAREHOLDERS:

12.1 Annual General Meeting for the financial year 2022-23:

Day	:	Saturday
Date	:	30 th September, 2023
Time	:	3:30 p.m.
Venue	:	Through Video Conferencing/ Other OAVM

12.2 Financial Year:

1st April to 31st March

12.3 Book Closure:

The Register of Members and Share Transfer Books of the Company shall remain closed from Sunday, 24th September, 2023 to Saturday, 30th September, 2023 (both days inclusive).

12.4 Cut-off date for voting rights:

The voting rights of the shareholders shall be reckoned on the equity shares held by them as on the cut-off date i.e. Saturday, 23rd September, 2023. Remote e-voting shall remain open from Wednesday, 27th September, 2023 at 09.00 a.m. and end on Friday, 29th September, 2023 at 05.00 p.m.

12.5 Dividend Payment Date: Credit/ Dispatch between 6th October, 2023 to 20th October, 2023

12.6 Listing on Stock Exchange:

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

12.7 Listing Fees: The Company has paid the necessary listing fees of the BSE Limited for the financial year 2023-24.

12.8 Stock Code: BSE: 530627

12.9 ISIN: INE834D01018

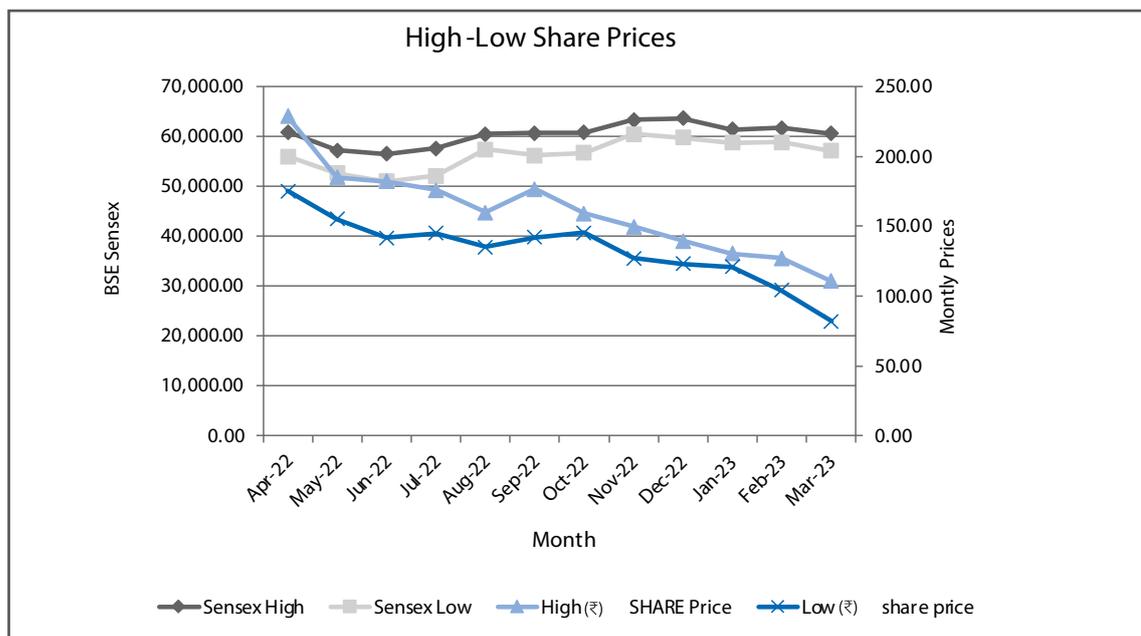
12.10 Stock Market Price Data and comparison with BSE Sensex:

The monthly high and low quotation of shares traded on the BSE Limited during each month in last financial year are as follows:

Month	Company's Shares price at BSE*		BSE Sensex (Points)*	
	High (₹)	Low (₹)	High	Low
April-22	228.65	175.00	60,845.10	56,009.07
May-22	185.00	155.00	57,184.21	52,632.48
June-22	182.00	141.50	56,432.65	50,921.22
July-22	176.00	145.00	57,619.27	52,094.25
August-22	164.50	135.05	60,411.20	57,367.47
September-22	182.00	142.00	60,676.12	56,147.23
October-22	159.00	145.20	60,786.70	56,683.40
November-22	149.50	127.00	63,303.01	60,425.47
December-22	139.30	123.10	63,583.07	59,754.10
January-23	130.45	121.05	61,343.96	58,699.20
February-23	126.95	104.05	61,682.25	58,795.97
March-23	112.00	82.00	60,498.48	57,084.91

* Source: www.bseindia.com

12.11 Performance of Vipul Organics Limited share price in comparison to BSE Sensex (based on closing Price) during the financial year ended 31st March, 2023:



12.12 Trading of Securities:

The securities of the Company were not suspended from trading during the financial year 2022-23.

12.13 Registrar and Share Transfer Agents:

Bigshare Services Private Limited
Office No. S6-2, 6 Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai - 400093
Tel No.:+91-22-62638200
Email ID: investor@bigshareonline.com

12.14 Share Transfer Process:

In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, securities of the Company can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of transmission or transposition of securities. Further, the SEBI had fixed 31st March, 2021 as the cut-off date for relodgment of transfer deeds and the shares that are relodged for transfer shall be issued only in DEMAT mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

Further, SEBI has vide its Circular No.: SEBI/ HO/ MIRSD/ MIRSD_RTAMB/ P/ CIR / 2022 / 8 dated 25th January, 2022 ('SEBI Circular'), mandated the issue of share(s) in dematerialized form only while processing the Shareholder's Service Request(s) received for issue of duplicate share certificates, claim from Unclaimed Suspense Account, renewal / exchange of share certificates, endorsement, sub-division / splitting of share certificates, consolidation of share certificates / folios, transmission and transposition. Upon receipt of any service request(s) from the shareholder / claimant, Link Intime India Private Limited, Registrar and Share Transfer Agent ('RTA') of the Company shall verify and process the said request(s) and thereafter issue a 'Letter of Confirmation' in lieu of physical share certificate(s) to the shareholder / claimant, if documents are found in order. In case of any query(ies) or issue(s) regarding process of the service request(s), shareholder / claimant can contact RTA (Cont. No.: 022 – 62638200) or can write an e-mail at investor@bigshareonline.com.

12.15 The Distribution of Shareholding as at 31st March, 2023:

Slab of Shares Holding (in ₹)		Shareholders	Percentage (%)	Shares	Amount (in ₹)	Percentage (%)
From	To					
1	5000	7695	98.7045	1624917	16249170	12.6829
5001	10000	38	0.4874	265740	2657400	2.0742
10001	20000	24	0.3079	357481	3574810	2.7902
20001	30000	14	0.1796	331472	3314720	2.5872
30001	40000	4	0.0513	142243	1422430	1.1102
40001	50000	1	0.0128	43292	432920	0.3379
50001	100000	9	0.1154	685486	6854860	5.3504
100001	and above	11	0.1411	9361244	93612440	73.0669
TOTAL		7796	100	12811875	128118750	100

12.16 Dematerialization of shares and liquidity:

As on 31st March, 2023, about 98.87% of the Company's Equity Shares have been dematerialized. The Equity Shares of the Company are actively traded on the BSE Ltd., Mumbai.

12.17 Convertible instruments:

During the financial year 2022-23, the Company has not issued any Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / warrants or any convertible instrument, which are likely to have impact on the Company's Equity.

12.18 Commodity price risk or foreign exchange risk or hedging activities:

The Company is exposed to the risk of price fluctuations of raw material, which is proactively managed by forward booking of materials, inventory management and vendor development practices.

As regards foreign exchange risk, there is natural hedging of risk as our import and export generally remains at the same level.

12.19 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations:

The Company had mobilized a sum of ₹7.77 Crore through issue and allotment of 7,00,000 Equity Shares of ₹10/- each upon conversion of 7,00,000 convertible warrants issued at an issue price of ₹111/- per warrant (Rupees One Hundred and Eleven only) including premium of ₹101/- (Rupees One Hundred One only) per share to the promoter and promoter group of the Company.

The details of utilization of aforesaid amount are as follows:

Sr. No.	Purpose of raising funds	Amount utilized (₹ in Lakh)			Total
		Upto 31.03.2021	Upto 31.03.2022	During the financial year 2022-23	
1.	Expansion plan (upto ₹5.50 Crores)	137.89	323.21	88.90	550.00
2.	Working capital requirements (upto to ₹2.27 Crores)	18.71	197.43	10.86	227.00
Total		156.60	520.64	99.76	777.00

12.20 Plant locations:

Plot No. 11, Survey No. 35,
Diwan & Sons Industrial Estate,
Village Aliyali, Palghar (West),
Dist. Thane – 401404, Maharashtra

Plot No. A/14, MIDC,
A.M.P. Road, Ambernath (West),
Dist. Thane – 421501, Maharashtra

Plot No. T-115, MIDC Industrial Area,
Tarapur, Village Pam, Boisar (West),
Dist. Palghar-401506, Maharashtra

12.21 Registered Office:

102, Andheri Industrial Estate, Off. Veera Desai Road, Andheri (West), Mumbai – 400053

Corporate Office:

B 603-A, Kaledonia, Sahar Road, Off. W. E. Highway, Andheri (East), Mumbai – 400069

12.22 Address for investor correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of Address, non-receipt of dividend or any address, non-receipt of dividend or any other query relating to shares, please write to:

Bigshare Services Private Limited

Unit: Vipul Organics Limited
Office No. S6-2, 6 Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093, Maharashtra
Tel No.:+91-22-62638200
Email ID: investor@bigshareonline.com

Company Secretary and Compliance Officer

Vipul Organics Limited
B 603-A, Kaledonia, Sahar Road, Off. W.E. Highway, Andheri East, Mumbai – 400069, Maharashtra
Tel No.: +91-22-66139999
EmailID:companysecretary@vipulorganics.com

12.23 Details of credit rating obtained by the entity along with revisions (if any):

Sr. No.	Name of the Credit Rating Agency	Facilities	Ratings
1.	Acuite Ratings & Research	Total Facilities Rated	₹30 Cr.
		Long term Rating	ACUITE BBB-/ Outlook: Stable (Assigned)
		Short term Rating	ACUITE A3 (Assigned)

13. DISCLOSURES:

13.1 Related party transactions:

There were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors / KMPs during the financial year ended 31st March, 2023 that may have potential conflict with the interest of the Company at large.

The transactions with the related parties, as per the requirements of the Indian Accounting Standard (Ind-AS) 24, are disclosed in the Notes on Accounts, forming part of the Annual Report. The policy on dealing with Related Party Transactions is available on Company's website at <http://vipulorganics.com/policies.htm>.

13.2 Compliance by the Company:

The Company has complied with the requirements of the Stock Exchange, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital market during the last three years. The Stock Exchange, SEBI or any statutory authority on any matter relating to capital markets imposed no penalties or strictures on the Company during the last three years.

13.3 Whistle-Blower Policy / Vigil Mechanism and affirmation that no person has been denied access to the Audit Committee:

The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of director or employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2022-23, no director or employee was denied access to the Audit Committee.

13.4 Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries and Policy for determining “material” subsidiaries:

As on 31st March, 2023, the Company had one subsidiary company i.e. Shree Ambika Naturals Private Limited, which does not fall under the norms prescribed in Regulation 16(1)(c) of the Listing Regulations for Material Subsidiary. The Company has formulated a policy for determining ‘material’ subsidiaries and the same is displayed on the website of the Company www.vipulorganics.com.

13.5 Total fees for all services paid by the listed entity and its subsidiaries on a consolidated basis to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

Details relating to fees paid to the Statutory Auditors are given in Note 37 to the Standalone Financial Statements and to the Consolidated Financial Statements of the Company.

13.6 Recommendation by the Committees:

During the financial year under review, the Board accepted all recommendations from all the Committees of the Board, which are mandatorily required.

13.7 Disclosure by listed entity and its subsidiaries of ‘Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount:

Details relating to loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount are given in Note 41 in the appended Standalone Financial Statements and Consolidated Financial Statements.

13.8 Adoption of mandatory and non-mandatory requirements of Regulation 27 of the Listing Regulations:

The Company has complied with all the mandatory requirements of Regulation 27 and Schedule V of the Listing Regulations. The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of the Listing Regulations:

- (a) Un-Modified Opinion(s) in Audit Report: The Company is in the regime of unmodified audit opinion on financial statements.
- (b) Separate posts of Chairman and CEO: The Company does not have designated Chairman.
- (c) Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee.

13.9 Compliance of the requirements of Corporate Governance Report

During the financial year 2022-23, the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of the Listing Regulations.

13.10 Disclosure of the Compliance with Corporate Governance

The Company has complied with the Regulations 17 to 20, 22 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations during the financial year 2022-23, whenever applicable. Regulation 21 of the Listing Regulations was not applicable to the Company.

13.11 Declaration on Compliance for Code of Conduct:

The Board has formulated and adopted Code of Conduct and Ethics for the Board of Directors and Senior Management. The said code has been hosted on the website of the company at www.vipulorganics.com.

A confirmation from the Managing Director of the Company regarding compliance with the Code of Conduct and Ethics by all the Directors and Senior Management Personnel is annexed and forms part of this Report.

13.12 Code of Conduct for Prevention of Insider Trading:

The Company has in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, formulated the 'Code of Conduct for Prevention of Insider Trading' and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The amended Code is applicable to the 'Designated Persons' of the Company and its subsidiary company. The Designated Persons are required to ensure fullest compliance with the Company's Code at the time of dealing in Company's Securities, which inter alia includes equity shares and debentures, (by way of Buy / Sell / ESOP exercise / Pledge Creation / Pledge Revocation and Invocation of Pledge, etc.).

13.13 Certificate from Practicing Company Secretaries under Regulation 34(3) of the Listing Regulations:

The Company has received a certificate pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations from M/s. M Baldeva Associates, Company Secretaries, Thane certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs or any other statutory authority is also annexed herewith and forms part of this Report.

13.14 Disclosure of accounting treatment:

In the preparation of financial statements, the Company has followed the Indian Accounting Standards (Ind-As) issued by the Institute of Chartered Accountants of India to the extent applicable.

13.15 Disclosure with respect to Demat suspense account / unclaimed suspense account:

The Company does not have any of its securities lying in Demat / unclaimed suspense account arising out of public / bonus / right issues as at 31st March, 2023. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

13.16 Policies of the Company:

As a part of good Corporate Governance, the Company has from time to time adopted various policies / codes which are hosted on the website of the Company at www.vipulorganics.com, wherever required.

13.17 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Sr. No.	Particulars	No. of Complaints
a.	Complaints filed during the financial year	0
b.	Complaints disposed of during the financial year	0
c.	Complaints pending as on end of the financial year	0

13.18 Disclosure of certain types of agreements binding listed entities:

Information required under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations : No agreements are entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or subsidiary company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Place: Mumbai

Date: 14th August, 2023

Vipul P. Shah

Managing Director

DIN: 00181636

Mihir V. Shah

Whole Time Director & CFO

DIN: 05126125

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

As per Regulation 17 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Vipul P. Shah, Managing Director of the Company do hereby confirm and declare that all the Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Conduct during the financial year ended 31st March, 2023.

For **Vipul Organics Limited**

Vipul P. Shah

Managing Director

DIN: 00181636

Place: Mumbai

Date: 14th August, 2023



Independent Auditor's Certificate on Compliance with the Corporate Governance

To,
The Members of
Vipul Organics Limited

We have examined the compliance of conditions of corporate governance by Vipul Organics Limited ('the Company') for the financial year ended on 31st March 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the listing agreement of the Company with Stock Exchange.

Management's Responsibility

The compliance of conditions of corporate governance is the responsibility of the Company's management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2023. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

This certificate is issued and provided to the Members of the Company solely for the purpose of complying with the aforesaid regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Reg. No. 108331W

P. J. Rajani
Proprietor

Membership No.116740
UDIN:23116740BGVCO2752

Place: Mumbai
Date: 14th August,2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

Vipul Organics Limited

102, Andheri Industrial Estate,

Off. Veera Desai Road, Andheri (West),

Mumbai – 400053

I have examined the relevant registers, records, forms, returns and disclosures received from the directors of Vipul Organics Limited (CIN: L24110MH1972PLC015857), having Registered Office at 102, Andheri Industrial Estate, Off. Veera Desai Road, Andheri (West), Mumbai - 400053 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with the provisions of Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below during the Financial Year ended 31.03.2023 have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr No.	Name of Director	DIN	Date of initial appointment in the Company
1.	Mr. Vipul P. Shah	00181636	21.06.1992
2.	Mr. Mihir V. Shah	05126125	01.04.2020
3.	Mr. Jagdeep Y. Mehta	00332523	15.12.2005
4.	Dr. Shiv Nath Sahai	00332652	10.12.1993
5.	Mr. Prasannakumar B. Gawde	01456510	31.03.2008
6.	Mrs. Megha S. Bhati	08278063	14.11.2018

Ensuring the eligibility for the appointment / continuity of every director on the Board is responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M Baldeva Associates**

Company Secretaries

CS Manish Baldeva

Proprietor

Place: Thane

Date: 30th May, 2023

M. No. FCS: 6180 ; C.P. No. 11062

Peer Review No. 1436/2021

UDIN: F006180E000427953

INDEPENDENT AUDITOR'S REPORT

To the Members of Vipul Organics Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of **Vipul Organics Limited (the Company)**, which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no other key audit matters to be communicated in our report.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

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 in 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 on the even date.

Management's Responsibility for the Standalone financial statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial statements process.

Auditor's Responsibilities for the Audit of the financial statements

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

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system, in relation to the financial statements, in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended 31st March ,2022, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 30th May,2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the Order), issued by the Central

Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, based on our audit we report that:
- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies(Indian Accounting Standards) Rules ,2015,as amended .
 - (e) On the basis of the written representations received from the directors as on 31st March,2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March,2023 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report inAnnexure B.
- B. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- C. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations, which will have an impact on its financial position in its financial statements-refer note 36 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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.
 - b) The management has represented that, to the best of its knowledge and belief, 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.
 - c) Based on the audit procedures performed that we 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) contain any material mis- statement.
 - v) The dividend declared and paid during the current year in respect of F. Y. 2021-2022 is in compliance with section 123 of the Act. The Board of Directors have proposed dividend for the year which is subject to approval of the members at the Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
 - vi) As the proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Reg. No. 108331W

P. J. Rajani
Proprietor

Place: Mumbai
Date: 30th May, 2023

Membership No. 116740
UDIN: 23116740BGVCOK5412

Annexure A to the Independent Auditors' Report of even date on the Standalone financial statements of Vipul Organics Limited

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended 31st March, 2023:

- 1) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment. The Company has maintained proper records showing full particulars of intangible assets.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company except for a Land at Ankleshwar whose gross block is ₹25 Lakh, which is held for more than 27 years and details for which are not available and Leasehold land whose book value is ₹756.99 Lakh, which was acquired in current year and held in name of Gujrat Industrial Development Corporation for which the Company is under the process to execute lease deed.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

According to the information and explanations given to us and based on our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- 2) The inventories has been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

The Company has a working capital limit in excess of ₹5 Crore sanctioned by banks based on the security of current assets. The quarterly returns in respect of the working capital limits for quarter ended 30th June, 2022 and 30th September, 2022 have been filed by the Company with Axis Bank and Bank of Baroda and such returns are in agreement with the books of account of the Company for the respective periods except for quarter ended 30th June, 2022 wherein major difference was noted in inventory amounting to ₹114.06 Lakh. (Amount reported ₹3029.52 Lakh vs amount as per books ₹3143.58 Lakh) and trade receivable amounting to ₹70.56 Lakh. (Amount reported ₹4084.37 Lakh vs amount as per books ₹4154.93 Lakh). In absence of the quarterly returns for the Quarter ended 31st December, 2022 and 31st March, 2023 we are unable to comment upon the variance if any for the respective periods..

- 3) 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 made any investments, provided 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 during the year.

The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given to a subsidiary company are, prima facie, not prejudicial to the interest of the Company.

According to the information and explanations given to us, there is no stipulation of schedule of payment of principle and payment of interest granted to a subsidiary company, we are unable to make specific comments on the regularity of repayment of interest, principle and overdue amounts.

The Company has not granted any loan or advance in the nature of loan, which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.

- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the books of accounts 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. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) According to information and explanations given to us and based on our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and service tax, Income-Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2023 for a period of more than six months from the date on when they become payable.

According to the information and explanation given to us, there are no dues of income tax, Value added tax, service tax, custom duty, excise duty and any other statutory dues outstanding on account of any dispute except for followings:-

Name of the statute/ dues	Amount (in ₹ Lakh)	Period	Forum where the dispute is pending
Income Tax Act,1961	0.55	A.Y. 2002-03	Income Tax Appellant Tribunal, Mumbai
Income Tax Act,1961	3.16	A.Y. 2011-12	Commissioner of Income Tax–Appeals, Mumbai
Income Tax Act,1961	217.14	A.Y. 2017-18	Commissioner of Income Tax–Appeals, Mumbai

- 8) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 9) The Company has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender during the year.

The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

According to the information and explanations given to us and on the basis of our opinion and examination of the records the Company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained.

On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been applied for long term purpose.

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.

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.

- 10) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company and hence not commented upon.

The Company has not made any preferential allotment or private placement of shares during the year. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company and hence not commented upon.

- 11) Based upon the audit procedures performed and the information and explanations given by the management, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. In view of the above reporting under clause 3 (xi) (b) of the order is not applicable.

To the best of our knowledge and according to the information and explanations given to us, the company has not received whistle-blower complaints, during the year.

- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- 14) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Section 192 of the Act are not applicable to the Company.
- 16) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act,1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

- 17) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- 19) According to the information and explanations given to us and 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 standalone financial statements, 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 that the 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 give neither 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.
- 20) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the order are not applicable.(CSR)

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Reg. No. 108331W

P. J. Rajani
Proprietor

Membership No. 116740
UDIN: 23116740BGVCOK5412

Place: Mumbai
Date: 30th May, 2023



Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Vipul Organics Limited

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Vipul Organics Limited (the Company) as of 31st March, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls over financial reporting and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control over financial reporting 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 Company's internal financial controls over financial reporting with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to Standalone Financial Statement and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over 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.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Reg. No. 108331W

P. J. Rajani
Proprietor
Membership No. 116740
UDIN: 23116740BGVCOK5412

Place: Mumbai
Date: 30th May, 2023

Standalone Balance Sheet as at 31st March, 2023

(₹ in Lakh)

	Note No.	31 st March, 2023	31 st March, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	3,195.75	3,512.70
Right of use assets	4	317.41	89.76
Intangible Assets	4	6.59	8.89
Capital work-in-progress	4	33.85	3.37
Investment in Subsidiaries	5	112.55	112.55
Other Investment-Financial Asset	5	49.35	56.41
Other non-current assets	6	355.95	416.69
Asset held for Sale	7	48.89	-
		4,120.34	4,200.38
Current Assets			
Inventories	8	3,547.53	3,053.76
Financial assets			
Trade receivables	9	3,352.49	4,213.29
Cash and Cash equivalents	10	436.61	169.93
Other bank balances	11	139.74	106.19
Other Financial assets	12	56.79	73.20
Other current assets	13	803.47	902.49
		8,336.62	8,518.86
TOTAL		12,456.96	12,719.23
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	1,281.19	1,024.95
Other Equity	15	4,052.06	4,229.62
Equity attributable to owners of the company		5,333.24	5,254.57
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	611.64	649.19
Lease Liabilities	17	280.96	83.50
Non Current provisions	18	1.77	1.77
Deferred tax liabilities (Net)	19	(13.67)	46.07
Other non Current Liabilities	20	59.00	-
		939.70	780.52
Current Liabilities			
Financial Liabilities			
Borrowings	21	2,240.77	2,273.92
Trade payables	22		
Total Outstanding Dues -Micro and small enterprises		269.52	155.20
Total Outstanding Dues -Others		3,084.54	3,750.56
Other Financial liabilities	23	352.63	260.25
Other current liabilities	24	112.49	51.37
Short-term provisions	25	124.08	192.85
		6,184.02	6,684.14
TOTAL		12,456.96	12,719.23

See accompanying notes to the financial statements
In terms of our report attached.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Standalone Statement of **Profit & Loss** for the financial year ended 31st March, 2023 (₹ in Lakh)

Particulars	Note No.	31 st March, 2023	31 st March, 2022
I. Revenue from operations	26	13,393.25	13,319.69
II. Other income	27	6.48	66.76
III. Total Income (I + II)		13,399.73	13,386.44
IV. Expenses:			
Cost of materials consumed	28	5,285.03	5,816.19
Purchases of Stock-in-Trade	28	3,824.45	4,066.29
Changes in Inventories of Stock-in-Trade	29	(516.99)	(1,294.31)
Employee benefits expense	30	882.40	673.01
Finance costs	31	267.12	164.10
Depreciation & Amortisation	32	632.11	522.29
Other Expenses	33	2,750.91	2,463.01
Total Expenses		13,125.03	12,410.59
V. Profit before tax (III-IV)		274.70	975.86
VI. Tax expense:			
(1) Current tax	34	126.50	286.39
(2) Adjustment in respect of earlier years		7.08	-
(3) Deferred tax		(56.41)	(9.10)
Total Tax expense		77.17	277.29
VII. Profit for the year (V-VI)		197.53	698.56
VIII. Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss		(10.04)	(9.56)
Remeasurement of defined benefit obligations			
Income tax relating to above items that will not be reclassified to profit or loss		3.33	2.66
Other comprehensive income/(loss) net of tax		(6.71)	(6.90)
IX. Total comprehensive income net of tax (VII+VIII)		190.82	691.66
X. Earnings per equity share:	35		
(1) Basic		1.54	5.77
(2) Diluted		1.54	5.77

See accompanying notes to the financial statements
In terms of our report attached.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Standalone Cash Flow Statement for the financial year ended 31st March, 2023

(₹ in Lakh)

Particulars	31 st March, 2023	31 st March, 2022
A Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax & Prior Period Items	274.70	975.86
Adjustment for		
Depreciation and amortisation expense	632.11	522.29
Other Comprehensive Income	(6.71)	(6.90)
Interest Income	(8.19)	(10.77)
Dividend Income	(0.82)	(0.84)
Fair Value Gain on Financial Assets	7.07	46.81
Finance Cost	267.12	164.10
(Gain) / Loss on sale of Investment	-	(95.66)
(Gain) / Loss on sale of Capital Asset	4.79	6.21
Subsidy Deferred Revenue Income	(4.54)	(6.29)
Operating Profit before Working Capital Changes	1,165.52	1,594.80
Adjustment for:		
Decrease/ (Increase) in Inventories	(493.77)	(1,271.42)
Decrease/ (Increase) in Trade Receivable	860.80	(707.76)
Decrease/ (Increase) in current asset/Other Financial Asset	81.65	394.46
Decrease/ (Increase) in non current Assets	60.74	(61.75)
Increase/(Decrease) in Trade Payables	(551.70)	593.22
Increase/ (Decrease) in other financial/Other Liabilities	101.68	2.16
Cash Generated from operations	1,224.92	543.69
Taxes Paid (Including TDS) (net)	(200.78)	(297.69)
Net Cash used in Operation	1,024.14	246.01
B Cash Flow from Investing Activities		
Purchase of Tangible and Intangible Assets	(311.27)	(1,349.75)
Proceeds from sale of Fixed Assets	0.40	107.15
Proceeds from sale of Investment	-	103.79
Proceeds from Subsidy for Fixed Asset	-	22.62
Interest /Dividend Income	9.01	9.93
Net Cash from Investing Activities	(301.86)	(1,106.26)
C Cash Flow from Financing Activities		
Proceeds from Equity issue	-	582.75
Increase/ (Decrease) in Long term borrowing	(37.55)	(286.85)
Increase/ (Decrease) in Short term borrowing	(33.15)	498.39
Dividend Paid	(117.80)	(87.97)
Finance cost Paid	(267.12)	(164.10)
Net Cash from Financing Activities	(455.61)	542.22
Net Increase in Cash & Cash Equivalents	266.67	(318.03)
Opening Balance of Cash & Cash Equivalents	169.93	487.96
Closing Balance of Cash & Cash Equivalent	436.61	169.93

See accompanying notes to the financial statements
In terms of our report attached.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Standalone Statement of Changes in Equity for the financial year ended 31st March, 2023

a. Equity shares of ₹10 each issued, subscribed and fully paid

(₹ in Lakh)

	31 st March, 2023		31 st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting period	1,02,49,500	1,024.95	95,49,500	954.95
Changes in equity share capital during the year	25,62,375	256.24	7,00,000	70.00
Balance at the end of the reporting period	1,28,11,875	1,281.19	1,02,49,500	1,024.95

b. Other Equity

	Reserves and Surplus					Total
	Securities premium	Capital Reserve	General reserve	Retained Earnings	Other Comprehensive Income	
Balance at 31st March 2021	969.78	62.78	90.10	1,798.53	(4.28)	2,916.90
Profit for the year	-	-	-	698.56	-	698.56
Addition / reduction during the year	707.00	-	-	(85.95)	(6.90)	614.15
Balance at 31st March 2022	1,676.78	62.78	90.10	2,411.15	(11.18)	4,229.62
Profit for the year	-	-	-	197.53	-	197.53
Addition / reduction during the year	(256.24)	-	-	(112.15)	(6.71)	(375.10)
Balance at 31st March 2023	1,420.54	62.78	90.10	2,496.53	(17.89)	4,052.06

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

Vipul P. Shah
Managing Director
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For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

1.1 Corporate Information

Vipul Organics Limited is a public limited domiciled in India incorporated under the provisions of the Companies Act ('the company') having its registered office at 102, Andheri Industrial Estate, Off Veera Desai Road, Andheri West, Mumbai 400053. The Company's principle activities are manufacturing & trading of Dyes stuff, Organic Pigments & Organic Intermediates.

The standalone financial statements for the year ended 31st March, 2023 were considered by the Board of Directors and approved for issuance on 30th May, 2023.

1.2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015.

1.3 Basis of preparation and presentation

The standalone financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 inputs are unobservable inputs for the asset or liability.

1.4. Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest thousands, unless otherwise indicated.

2. Significant accounting judgments, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of standalone financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected. In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the standalone financial statements.

2.1 Revenue recognition

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

the goods have been passed to the buyer. Export Sales are accounted on the date of Bill of Lading. Export benefits thereon are accounted on the basis of eligibility in the year of Export.

2.2 Impairment of investments in subsidiaries

The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.3 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

2.4 Litigation

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

3. Significant Accounting Policies

3.1 Property, plant and equipment:

Items of property, plant and equipment are stated at cost, less accumulated depreciation & impairment losses, if any. Cost comprises a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

3.2. Depreciation

Depreciation on Property, plant and equipment has been provided on written down value basis and manner prescribed in Schedule II to the Act. Depreciation on additions during the year has been provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

or demolished has been provided on prorata basis. Leasehold assets are amortized over the primary period of lease or its useful life, whichever is shorter on a straight line basis.

3.3. Intangible assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Computer software is amortized on written down value basis and manner prescribed in Schedule II to the Act.

3.4. Impairment of tangible and intangible assets

Company at the end of each reporting period reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised immediately in statement of profit and loss. A reversal of an impairment loss is also recognised immediately in Statement of Profit and Loss.

3.5. Financial instruments

Financial assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition and measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets

other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

Financial assets amortised at cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Further, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition (1st April, 2016). Also, in accordance with Ind AS 27 company has elected the policy to account investments in subsidiaries at cost.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset and shall be recognised either to statement of profit & loss or OCI as per classification of the respective asset.

Financial Liabilities

Initial Recognition and Measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent measurement

Financial liabilities are subsequently carried at fair value through profit and loss. For trade payables and other liabilities maturing within one year from the balance sheet date, the carrying amounts

approximate fair value due to the short maturity of these instruments.

De-recognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting of Financial assets and Financial Liabilities

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

3.6. Inventories

Inventories comprising of raw material & finished goods are carried at lower of cost and net realizable value. Cost is determined by using the First in First Out formula. Costs comprise all cost of purchase, cost of conversion and cost incurred in bringing the inventory to their present location and condition other than those subsequently recoverable by the Company from tax authorities.

Packing material, Stores & spares consumables are charged to revenue account.

3.7. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, goods and service tax. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Export Sales are accounted on the date of Bill of Lading. Export benefits thereon are accounted on the basis of eligibility in the year of Export.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

principal outstanding and at the effective interest rate applicable. Dividend income from investments is recognised when the right to receive payment has been established

3.8. Foreign currencies

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.9. Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying asset is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

3.10. Leases

The Company adopted Ind AS 116 Leases and applied the standard to all lease contracts existing on 1st April, 2019, except those which are exempted under this standard, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The Company's lease asset classes primarily consist of leases of land and building. At the date of commencement of lease, the Company recognised a right-to-use assets and a corresponding lease liability for all lease arrangements in which it is

a lessee, except for leases with a term of twelve month or less (short-term leases) and low value leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The right-to-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-to-use of assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right-to-use of assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The Lease liability is initially measured at amortized cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease Liabilities are re-measured with corresponding adjustment to the related right to use of asset if company changes its assessment if whether it will exercise an extension or termination option.

3.11. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.12. Employee benefits

Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment obligations

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation at the end of each financial year.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3.13. Income Taxes

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

Current tax

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

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

assets and liabilities. Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.14. Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

3.15. Research and development expenses

Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognized as expense in the statement of profit and loss when incurred.

Expenditure incurred on fixed assets used for research and development is capitalized and depreciated in accordance with the depreciation policy of the Company.

3.16. Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share

split and reverse share split (consolidation of shares). In this scenario, the number of equity shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.17. Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income. Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

3.18. Non-current assets held for sale

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as Assets Classified as Held for Sale. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

3.19. Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements.

3.20. Current / non- current classification

An asset is classified as current if:

- i) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- ii) it is held primarily for the purpose of trade;
- iii) it is expected to be realized within twelve months after the reporting period; or
- iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- i) it is expected to be settled in normal operating cycle;
- ii) it is held primarily for the purpose of trading;
- iii) it is expected to be settled within twelve months after the reporting period;
- iv) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

4 Property, plant and equipment

(₹ In Lakh)

	Gross Block			Accumulated depreciation / amortisation			Net block		
	As at 1 st April, 2022	Additions during the year	Deletion during the year	As at 31 st March, 2023	As at 1 st April, 2022	Deletion during the year	As at 31 st March, 2023	As at 1 st April, 2022	As at 31 st March, 2023
A Property, plant and equipment									
Factory Land	930.11	4.25	48.89	885.47	-	-	-	930.11	885.47
Factory Building	1,282.73	37.50	-	1,320.23	253.59	100.47	354.06	1,029.14	966.17
Plant & Machinery	2,466.27	133.39	-	2,599.66	1,118.58	358.13	1,476.71	1,347.69	1,122.94
Furniture & Fixtures	120.18	68.38	28.80	159.76	60.34	27.18	62.04	59.84	97.72
Electrical Installation	-	-	-	-	-	-	-	-	-
Motor Car/Vehicles	144.81	-	-	144.81	32.90	29.25	62.15	111.91	82.66
Office Equipment	51.20	22.91	27.79	46.31	30.75	15.57	19.79	20.45	26.52
Computer	45.58	14.53	16.69	43.42	35.24	12.90	32.22	10.34	11.20
Office Building	4.35	-	-	4.35	1.13	0.16	1.28	3.22	3.07
Total A	5,045.23	280.95	122.17	5,204.01	1,532.53	543.66	2,008.26	3,512.70	3,195.75
B Right to use assets (refer note 4B)									
Lease Assets	116.93	313.80	-	430.73	27.17	86.15	113.31	89.76	317.41
Total B	116.93	313.80	-	430.73	27.17	86.15	113.31	89.76	317.41
C Capital work-in-progress	3.37	33.85	3.37	33.85	-	-	-	3.37	33.85
Total C	3.37	33.85	3.37	33.85	-	-	-	3.37	33.85
D Intangible Assets									
Software	22.04	-	-	22.04	13.15	2.30	15.45	8.89	6.59
Total D	22.04	-	-	22.04	13.15	2.30	15.45	8.89	6.59

Refer note 16 & 21 for assets provided as security.

Factory Building includes ₹27.83 Lakh book value of erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Title deeds of Immovable Property not held in the name of the Company Land at Ankleshwar carrying value 25 Lakh.

Title deeds of Immovable Property not held in the name of the Company for Land at Saykha GIDC, Dahej carrying value 752.74 Lakh acquired in previous year wherein the Company is under the process of executing lease deed with GIDC.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Property, plant and equipment (contd.)

(₹ In Lakh)

	Gross Block		Accumulated depreciation / amortisation			Net block				
	As at 1 st April, 2021	Additions during the year	Deletion during the year	As at 31 st March, 2022	As at 1 st April, 2021	Additions during the year	Deletion during the year	As at 31 st March, 2022	As at 1 st April, 2021	As at 31 st March, 2022
A Property, plant and equipment										
Factory Land	282.91	754.98	107.78	930.11	-	-	-	-	282.91	930.11
Factory Building	1,118.59	164.14	-	1,282.73	160.50	93.09	-	253.59	958.09	1,029.14
Plant & Machinery	2,142.64	323.63	-	2,466.27	754.40	364.18	-	1,118.58	1,388.24	1,347.69
Furniture & Fixtures	92.79	26.31	-	119.10	48.18	12.15	-	60.33	44.61	58.77
Electrical Installation	-	1.07	-	1.07	-	0.01	-	0.01	-	1.07
Lab Equipment	-	-	-	-	-	-	-	-	-	-
Vehicles	95.18	89.48	39.85	144.81	57.80	13.72	38.63	32.90	37.38	111.91
Office Equipment	36.47	14.72	-	51.20	25.19	5.55	-	30.75	11.28	20.45
Computer	35.84	9.74	-	45.58	28.32	6.92	-	35.24	7.51	10.34
Office Building	4.35	-	-	4.35	0.96	0.17	-	1.13	3.39	3.22
Total A	3,808.78	1,384.08	147.63	5,045.23	1,075.35	495.80	38.63	1,532.53	2,733.42	3,512.70
B Right to use assets(refer note 4B)										
Lease Assets	116.93	-	-	116.93	3.78	23.39	-	27.17	113.15	89.76
Total B	116.93	-	-	116.93	3.78	23.39	-	27.17	113.15	89.76
C Capital work-in-progress										
Total C	35.84	-	32.47	3.37	-	-	-	-	35.84	3.37
D Intangible Assets										
Software	22.04	-	-	22.04	10.05	3.10	-	13.15	11.99	8.89
Total D	22.04	-	-	22.04	10.05	3.10	-	13.15	11.99	8.89

Refer note 16 & 21 for assets provided as security.

Factory Building includes ₹27.83 Lakh book value of erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Title deeds of Immovable Property not held in the name of the Company Land at Ankleshwar carrying value 25 Lakh.

Title deeds of Immovable Property not held in the name of the Company for Land at Saykha GIDC, Dahej carrying value 752.74 Lakh acquired in current year wherein the Company is under the process of executing lease deed with GIDC

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

4A Capital WIP Ageing Schedule

(₹ In Lakh)

As at 31 st March, 2023	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	30.5	2.2	0.2	1.0	33.8
Projects temporarily suspended	-	-	-	-	-
	30.5	2.2	0.2	1.0	33.8
Intangible Assets					
Project in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2022	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	2.16	0.21	0.73	0.27	3.37
Projects temporarily suspended	-	-	-	-	-
	2.16	0.21	0.73	0.27	3.37
Intangible Assets					
Project in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

4B Right to use

(i) Amounts to be recognised in balance sheet as on 31st March, 2023

The balance sheet shows the following amounts relating to leases :

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Right to use assets		
Lease hold land	430.73	116.93
Total	430.73	116.93
Lease liabilities		
Current	73.08	17.62
Non - Current	280.96	83.50
Total	354.04	101.12

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

(ii) Amounts to be recognised in Statement of Profit and Loss for the year ended 31st March, 2023

The Statement of Profit and Loss shows the following amounts relating to leases:

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2022
Depreciation		
Lease hold land/building	86.15	23.39
Total	86.15	23.39

Interest expenses on lease liabilities (included in finance cost) ₹51.58 Lakh

(iii) Total cash outflow for leases during financial year was :

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2022
Particulars		
Operating cash flows : Interest expenses	48.15	17.42
Total	48.15	17.42

5 Non-current Investments:

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2022
Investment in Subsidiaries		
(Fully Paid Up, Carried At Cost)		
(a) Investments in Equity Instruments		
Investments in Equity Shares of Subsidiaries:		
Equity Shares of Shree Ambika Naturals Pvt. Ltd. (Unquoted) 2550 (Prev.Yr. 2550) Equity Shares of ₹100 each.	2.55	2.55
(b) Investments in Preference Shares :		
Investments in Preference Shares of Subsidiaries:		
100000 (Prev. Year 100000) 1.5% Non-Cumulative Optionally Convertible Preference Shares of Shree Ambika Naturals Pvt. Ltd. (Unquoted)	110.00	110.00
Total	112.55	112.55
Non-Current Investments:		
(a) Investments in Equity Instruments		
Equity Shares (Quoted & carried at fair value through Profit & loss)	48.93	56.00
(b) Investments in Government Securities :		
Government Securities (Unquoted at cost) (Deposited with Government authorities)	0.01	0.01
(c) Investments in Debentures:		
Debentures (at Cost)	0.41	0.41
Total	49.35	56.41

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Investment in Equity Shares (quoted) (fully paid up) at Fair Value through Profit and Loss (₹ In Lakh)

	As at			
	31 st March, 2023		31 st March, 2022	
	Units	Amount	Units	Amount
Arvind Ltd.(1000 (Prev.Yr. 1000) Equity shares Fully paid of ₹10 Each)	1,000	0.85	1,000	1.15
Arvind Smartspaces Ltd.(100 (Prev.Yr. 100) Equity shares Fully paid of ₹10 Each)	100	0.28	100	0.20
Arvind Fashion Ltd (200 (prev Yr 200) Equity shares Fully paid of ₹4 Each)	200	0.56	200	0.57
The Anup engg Ltd (37 (prev Yr 37)Equity shares Fully paid of ₹10 Each)	37	0.37	37	0.29
Bodal Chemicals Ltd.(2500 (Prev.Yr. 2500) Equity shares Fully paid of ₹2 Each)	2,500	1.44	2,500	2.52
Global Offshore Services Ltd.(8400 (Prev.Yr. 8400) Equity shares Fully paid of ₹10 Each)	8,400	1.71	8,400	3.78
Gujarat State Fertilizers & Chemicals Ltd.(895 (Prev.Yr. 895) Equity shares Fully paid of ₹2 Each)	895	1.07	895	1.45
HLV Ltd.(1000 (Prev.Yr. 1000) Equity shares Fully paid of ₹2 Each)	1,000	0.09	1,000	0.09
Kiri Industries Ltd.(500 (Prev.Yr. 500) Equity shares Fully paid of ₹10 Each)	500	1.42	500	2.45
Mafatlal Industries Ltd.(1720 Equity shares Fully paid of ₹12 Each (Prev.Yr. 346 Equity shares Fully paid of ₹10 Each)	346	0.71	346	0.60
NOCIL Ltd.(15,000 (Prev.15,000) Equity shares Fully paid of ₹10 Each)	15,000	31.00	15,000	37.34
Pricol Ltd.(3000 (Prev.Yr. 3000) Equity shares Fully paid of ₹1 Each)	3,000	6.22	3,000	3.90
Standard Industrires Ltd.(9900 (Prev.Yr. 9900) Equity shares Fully paid of ₹5 Each)	9,900	2.54	9,900	1.19
Bank of Baroda Ltd.(402 (prev Yr 402)Equity shares fully Paid ₹2/- Each)	402	0.68	402	0.45
		48.93		56.00

6 Other Non Current Assets (Unsecured and considered good)

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2023
Capital Advances-Related (Refer note 41)	204.75	204.75
Capital Advances-Others	4.64	32.94
Deposits with Government Authorities and Others (Refer note 47 & 51)	146.56	153.48
Loans and advances to related parties		
- Subsidiaries (Refer Note 41)	-	25.52
Total	355.95	416.69

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Deposits with Government Authorities and Others ₹2.70 Lakh of erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

7 Asset held for Sale

a) Description

Disposal of Lease Hold Land

The Board of Directors, have decided to dispose leasehold land admeasuring approximately 5000 square metres located at Dahej GIDC, Gujarat, India, subject to necessary approvals, consents, permissions from the concerned authorities to one party. The transaction will be completed in next year. Pursuant to the requirements of Ind AS 105 - "Non current Assets held for Sale", this has been classified as "Assets held for sale".

b) The Assets of Disposal Group classified as held for sale as on 31st March, 2023 are as under: (₹ In Lakh)

Particulars	31 st March, 2023
Assets	
Lease hold land	48.89
Total Assets	48.89

Against the same the Company has received advance of ₹ 59(Lakh).

8 Inventories

(At cost or net realisable value whichever is lower)

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Raw materials & Others	739.20	762.42
(b) Finished goods	2,808.33	2,291.34
Total	3,547.53	3,053.76

9 Trade receivables (Unsecured)

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Trade receivables-Considered Good	3,352.49	4,213.29
Trade receivables-Credit impaired	-	-
Total	3,352.49	4,213.29

The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are non-interest bearing.

Notes:

Of the above, trade receivables from related parties are as below	108.19	127.90
Expected credit loss	-	-
Net trade receivables from related parties	108.19	127.90

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Trade Receivable ageing schedule from the due date of payments :

(₹ In Lakh)

As at 31 st March, 2023	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - Considered good	2,337	571.67	207.76	60.51	45.07	130.32	3,352.49
(ii) Undisputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed dues - credit impaired	-	-	-	-	-	-	-
(iv) Disputed dues - Considered good	-	-	-	-	-	-	-
(v) Disputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed dues - credit impaired	-	-	-	-	-	-	-
	2,337.17	571.67	207.76	60.51	45.07	130.32	3,352.49

As at 31 st March, 2022	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - Considered good	3,200.00	798.20	15.31	88.44	3.16	108.19	4,213.29
(ii) Undisputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed dues - credit impaired	-	-	-	-	-	-	-
(iv) Disputed dues - Considered good	-	-	-	-	-	-	-
(v) Disputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed dues - credit impaired	-	-	-	-	-	-	-
	3,200.00	798.20	15.31	88.44	3.16	108.19	4,213.29

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

10 Cash and Cash equivalents:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balances with Scheduled Bank:		
In Current Account	410.14	156.46
In EEFC Account	21.64	8.47
Cash in Hand	4.83	5.01
Total	436.61	169.93

11 Other bank balances

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Earmarked Balance		
Unpaid Dividend Account	11.16	12.10
In Fixed deposit	128.58	94.09
Total	139.74	106.19

12 Other Financial assets

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Deposit to Related parties (refer Note no 41)	56.79	51.49
Financial Asset liability on account of derivatives	-	21.71
Total	56.79	73.20

13 Other current assets: (Unsecured and considered good)

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Loans and advances to Related parties (refer Note no 41)	246.96	83.08
Loans and advances to Employees	23.33	-
Prepaid Expenses	47.67	53.36
Balance with Government Authorities		
GST	286.35	500.50
MVAT Refund	20.45	20.45
Service Tax	2.90	2.90
Advances recoverable in cash or kind or for value to be received		
Export Incentive	81.96	137.47
Advance to Suppliers	47.61	37.67
Others/Income tax	46.25	67.07
Total	803.47	902.49

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

14 Equity Share capital:

a) Equity Share capital

(₹ In Lakh) (Except no of shares)

	31 st March, 2023		31 st March, 2022	
	No of shares	Amount	No of shares	Amount
Authorised Share Capital:				
Equity shares of ₹10 each	1,35,00,000	1,350.00	1,35,00,000	1,350.00
(During the year, there is no change in Authorised Share Capital)				
Issued, Subscribed and Fully Paid-up Shares:				
Equity shares of ₹10 each fully paid up	1,28,11,875	1,281.19	1,02,49,500	1,024.95

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

	31 st March, 2023		31 st March, 2022	
	No of shares	Amount	No of shares	Amount
Outstanding at beginning of the year	1,02,49,500	1,024.95	95,49,500	954.95
Equity Shares Allotted during the year as Bonus ##	25,62,375	256.24	-	-
Equity Shares Allotted upon conversion of even number of warrants issued on preferential basis.**	-	-	7,00,000	70.00
Balance as at End of Year	1,28,11,875	1,281.19	1,02,49,500	1,024.95

The Company has allotted the bonus shares at 1:4 ratio in it's Board Meeting held on 11th April 2022. Accordingly, the number of shares increased from 1,02,49,500 to 1,28,11,875 . The paid-up capital on account of Bonus issue of ₹2.56 Crore has been appropriated from Securities Premium .

** In Previous year Company Issued equity shares at a premium of ₹101 per share on conversion of even no warrants issued on preferential basis to the promoter / promoter group.

c) Terms / rights attached to equity shares

Fully paid equity shares, which have a par value of ₹10/-, carry one vote per share and carry a right to dividends.

Dividends if recommend by the Board of Directors need approvals from the Shareholders at the Annual General Meeting. The Board of Directors may also declare interim dividends if in their judgement the position of the Company justifies.

During the year ended 31st March, 2023, the amount of per share dividend recognised as ₹0.90 (31st March, 2022 ₹0.90)

In the event of winding up / liquidation of the Company, the holder of equity shares will be entitled to receive a residual interest in proportion to the number of shares held by them at that time in the assets of the Company after deducting all of liabilities of the Company.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

d) List of shareholders /Promoters who holds more than 5% of equity shares in the company:

Name of the shareholders	31 st March, 2023		31 st March, 2022		% change during the year
	No of shares	% of Holding	No of shares	%	No of shares
Vipul P. Shah-Promotor	28,35,675	22.13%	22,46,100	21.91%	0.22%
Mihir V. Shah-Promotor Group	21,28,250	16.61%	17,02,600	16.61%	0.00%
Vatsal V. Shah-Promotor Group	16,79,250	13.11%	13,43,400	13.11%	0.00%
Mita V. Shah-Promotor Group	7,65,625	5.98%	6,12,500	5.98%	0.00%
Jaya P. Shah-Promotor Group	6,08,125	4.75%	4,86,500	4.75%	0.00%
	80,16,925	62.57%	63,91,100	62.36%	

e) Aggregate number of shares issued during last five years pursuant to Stock Option Plans of the Company: Nil

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Particulars	31 st March, 2023	31 st March, 2022
	No of shares	No of shares
Bonus Shares issued in FY 2022-23	25,62,375	-

The Board of Directors of the Company has approved the issue of 25,62,375 Bonus Equity Shares to its existing shareholders in ratio of 1:4 (i.e. 1 (One) new Bonus Equity Share of face value of ₹10/- each on existing 4 (Four) Equity Shares of face value of ₹10/- each in its meeting held on 28th February, 2022 and the same was approved by the Shareholders of the Company on 31st March, 2022 through Postal Ballot Process. Accordingly, 25,62,375 Bonus Equity Shares were issued and allotted on 11th April 2022.

15 Other Equity

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Reserves and surplus:		
Capital Reserve	62.78	62.78
Securities Premium	1,420.54	1,676.78
General Reserve	90.10	90.10
Retained Earnings	2,496.53	2,411.15
Other reserves-Accumulated other comprehensive income	(17.89)	(11.18)
Total	4,052.06	4,229.62

Reserves and surplus:

15.1 Capital Reserve

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	62.78	62.78
Balance at end of year	62.78	62.78

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

15.2 Securities Premium Account:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	1,676.78	969.78
Add /Less: Premium on Issue Of Equity Shares **	-	707.00
Add /(Less): Utilised for allotment of Bonus Shares	(256.24)	-
Balance at end of year	1,420.54	1,676.78

The Company has allotted the bonus shares at 1:4 ratio in it's Board Meeting held on 11th April 2022. The Securities Premium has been appropriated for Issue of Bonus Shares issued .

**During the previous year, 7,00,000 Equity Shares of ₹10/- were issued to the promoter / promoter group upon conversion of even number of warrants issued on preferential basis at a premium of ₹101 per share.

15.3 General Reserve

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	90.10	90.10
Balance at end of year	90.10	90.10

15.4 Retained Earnings

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	2,411.15	1,798.53
Add: Profit after Tax for the year	197.53	698.56
Less: Appropriations:		
Opening Balance Impact of New Lease Asset under IND AS 116	3.16	-
Dividend - Final	(115.31)	(85.95)
Balance at end of year	2,496.53	2,411.15
Proposed dividend on equity shares not recognised		
Final dividend for the year ended ₹0.9 per share (PY ₹0.9 per share)	115.31	92.25

15.5 Other reserves-Accumulated other comprehensive income

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	(11.18)	(4.28)
Other comprehensive income	(6.71)	(6.90)
Balance at end of year	(17.89)	(11.18)

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

16 Long term borrowings:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Secured Loans		
Term Loan from Bank		
Loan from Bank Against Vehicles	-	4.86
Loan from Bank Against Plant & Machinery /Factory Building Tarapore	591.17	603.87
(refer note 21 -Current Maturity of long term Loan) Sub Total (a)	591.17	608.73
Term Loan from Others		
Loan from Others Against Vehicles	20.47	39.51
(refer note 21 -Current Maturity of long term Loan) Sub Total (b)	20.47	39.51
(b) Unsecured Loans		
Loan from Director/relative of Directors**	-	0.95
Sub Total (c)	-	0.95
Total (A) + (B) +(C)	611.64	649.19

** (Loan from Director/relative of Directors are pertaining to erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement refer note no 51)

Term Loans from Banks-Against Vehicles

₹4.96 Lakh (Previous Year ₹11.68 Lakh) secured by hypothecation of vehicle from Bank of Baroda repayable in 36 Equal monthly instalments and carry interest rate of 7.45 % p.a.

Term Loan from Bank Against Plant & Machinery /Factory Building Tarapore

₹481.83 Lakh (Previous Year ₹475.83 Lakh) secured by hypothecation of movable fixed assets and Factory Building at Tarapore wherein in Term loan for ₹90000('000) principal payable in equal monthly installment of ₹11.70 Lakh over period of 78 months after initial moratorium period of 6 months from date of disbursement from Axis Bank Ltd. and carry interest rate of 9.85 % & 9.60% . 6.65% on Foreign Currency Term Loan (6 months Libor + 4.14 %). Second Charge on Current assets by way of Hypothecation on Stock and Book debts present and future on pari-passu basiss with Bank of Baroda . Along with personal guarantee of Mr. Vipul Shah & Mr. Mihir Shah.

₹179.44 Lakh (Previous Year ₹292.78 Lakh) working capital Term Loan secured by existing hypothecation of the bankers and 100% credit gurantee by NCGTC principal payable in equal monthly installment of ₹9.44 Lakh over period of 36 months after initial moratorium period of 12 months from date of disbursement from Axis Bank Ltd. and carry interest rate of 7.65%.

₹62.00 Lakh (Previous Year ₹103.33 Lakh) working capital Term Loan secured by existing hypothecation of the bankers and 100% credit gurantee by NCGTC principal payable in equal monthly installment of ₹3.44 Lakh over period of 36 months after initial moratorium period of 12 months from date of disbursement from Axis Bank and carry interest rate of 8 %.

₹160.00 Lakh (Previous Year ₹ Nil) working capital Term Loan secured by existing hypothecation of the bankers and 100% credit gurantee by NCGTC principal payable in equal monthly installment of ₹3.44 Lakh over period of 60 months from date of disbursement from Axis Bank and carry interest rate of 7.65%

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Secured Term Loans from Others

₹41.39 Lakh (Previous Year ₹59.04 Lakh) secured by hypothecation of vehicles from Daimler Financials Services India Ltd. Equal monthly instalments over the period of 3 Years by 13th March 2025 and carry interest rate of 6.83 % p.a.--

17 Lease Liabilities (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Lease Liabilities (refer note 4B)	280.96	83.50
Total	280.96	83.50

18 Non Current Provision (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Provision for Gratuity	1.77	1.77
Total	1.77	1.77

19 Deferred Tax Liabilities (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Major components of deferred tax are:		
Related to Property ,Plant & Equipment	3.38	52.30
Others	(17.05)	(6.24)
Net Deferred Tax Liability	(13.67)	46.07

20 Other non Current Liabilities (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Advance received- Leasehold Land (refer note 7)	59.00	-
	59.00	-

21 Short-term borrowings: (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Loans repayable on demand		
From banks		
Secured	1,922.78	1,903.67
Current Maturity of long term Loan		
From Bank & Others	317.99	370.25
From other parties		
Unsecured	-	-
Total	2,240.77	2,273.92

From Bank of Baroda

The working capital facilities from Banks are secured by way of Hypothecation of Stock and Book Debts, ranking parri passu . The above loans also covered by following colateral securities as under:-

- EMDTD of land property & building with machinery/electricals installation situated at Plot no 12 ,Survey no 35,Dewan & Sons Industrial Estate,Palghar

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

- ii) Land & Building along with machineries at Plot no.11, Diwan & Sons Industrial Estate ,Palghar.
- iii) Land & Building along with machineries at Plot no 10 & 16, Diwan & Sons Ind.Est.Palghar & Machinery at Plot no 10 of Jayshree Chemicals.
- iv) Also covered in personal guarantee of Vipul Shah & corporate guarantee of M/s. Jayshree Chemicals.

From Axis Bank

The working capital facilities from Banks are secured by way of Hypothication of Stock and Book Debts ,ranking parri passu. The above loans also covered by following colateral securities as under:-

- i) Factory Land & building & Movable Fixed assets at Plot no T-1115 ,Tarapur Industrial Area,Village Pamtembhi, Taluka Palghar,Thane.
- ii) Also covered in personal guarantee of Vipul Shah & Mihir Shah .

22 Trade payables

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Total Outstanding Dues -Micro and small enterprises	269.52	155.20
Total Outstanding Dues -Other than micro & small enterprises **	3,084.54	3,750.56
Total	3,354.06	3,905.76

According to information available with the management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

22.a

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
i) Principal amount remaining unpaid	269.52	155.20
ii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv) The amount of interest due accrued and remaining unpaid at the end of each accounting year.	1.50	1.24
v) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	1.50	1.24

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

22.b Trade Payables ageing schedule from the due date of payments :

As at 31st March, 2023 (₹ In Lakh)

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	133.65	129.02	5.53	0.12	1.20	269.52
(ii) Others	1,625.64	1,138.07	125.72	116.65	78.46	3,084.54
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,759.29	1,267.10	131.24	116.76	79.66	3,354.06

As at 31st March, 2022

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	121.46	14.67	10.05	9.01	-	155.20
(ii) Others	2285.96	195.90	137.91	1,130.40	0.39	3,750.56
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,407.43	210.57	147.96	1,139.42	0.39	3,905.76

23 Other Financial Liabilities:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Creditors for Fixed Assets & Provision for Expenses	231.38	207.02
Unclaimed Dividend	11.17	12.10
Lease Liabilities (refer note 4B)	73.08	17.62
Financial liability on account of derivatives	3.50	-
Deposit from Dealers	33.50	23.50
Total	352.63	260.25

24 Other current liabilities:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Advance from Customers	79.37	20.31
Subsidy -Deferred Revenue Income (refer note 53)	11.78	16.32
Duties & taxes	21.34	14.73
Total	112.49	51.37

25 Short-term provisions:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Provision for Tax	124.08	192.85
Total	124.08	192.85

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

26 Revenue from operations

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Export sales	8,761.28	9,824.29
Local sales	4,490.21	3,311.48
Export incentives (Dyestuff , Organic Pigments and Intermediates)	141.76	183.92
Total	13,393.25	13,319.69

27 Other income:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Interest on Deposit with Banks & Others	2.89	5.97
Interest on Security Deposit-IND AS	5.30	4.81
Dividend on Investments	0.82	0.84
Fair Value Gain/(Loss) on Financial Assets	(7.07)	(46.81)
Gain/(Loss) on sale of Investment	-	95.66
Subsidy Deferred Revenue Income (Refer Note 53)	4.54	6.29
Total	6.48	66.76

28 a) Cost of materials consumed

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(Chemicals & Others)		
Opening Stock	737.56	769.12
Add: Purchases	5,260.32	5,784.64
Less: Closing Stock	712.85	737.56
Total	5,285.03	5,816.19

b) Purchases of Stock-in-Trade

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Dyestuff , Organic Pigments and Intermediates	3,824.45	4,066.29
Total	3,824.45	4,066.29

29 Changes in Inventories of Stock-in-Trade

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Inventories at the end of the year		
Dyestuff , Organic Pigments and Intermediates	2,808.33	2,291.34
Sub-total (A)	2,808.33	2,291.34
Inventories at the beginning of the year		
Dyestuff , Organic Pigments and Intermediates	2,291.34	997.03
Sub-Total (B)	2,291.34	997.03
(A) -(B)	(516.99)	(1,294.31)

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

30 Employee benefits expense:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Salaries, Wages, Bonus and Gratuity	810.05	642.95
Contribution to Provident Fund and Other Funds	72.35	30.06
Total	882.40	673.01

31 Finance costs:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Bank Interest	191.45	145.76
Bank Charges-Processing Fees	21.22	0.91
Interest on Lease	51.58	17.42
Other Interest	2.87	-
Total	267.12	164.10

32 Depreciation & Amortisation

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Depreciation Expenses(Refer note no 4)	545.96	498.90
Amortisation of Lease Refer note no 4B	86.15	23.39
Total	632.11	522.29

33 Other Expenses

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Power and Fuel	813.35	739.53
Factory Expenses	65.67	102.35
Labour & Transport	494.70	466.25
Repairs & Maintenance	159.36	217.74
Packing Material	218.40	168.86
Export Clearing ,Freight & Forwarding	142.73	226.23
Professional & Legal Charges(Refer note no 37)	204.91	169.19
Travelling Expenses	127.94	57.84
Insurance Charges	62.71	40.23
Rent ,Rates & Taxes	28.02	68.20
Donation /Corporate Social Responsibility Expense (Refer note no 49)	30.79	17.31
Exchange Gain /Loss	54.57	(129.54)
Commission	82.00	105.57
Loss on sales of assets/Capital Asset Write off	4.79	6.21
Miscellaneous/ Office Expenses	164.93	177.40
Business Promotion	96.05	29.63
Total	2,750.91	2,463.01

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

34 Reconciliation of effective tax rate

A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below:

	31 st March, 2023	31 st March, 2022
Profit before tax	274.70	975.86
Weighted average enacted tax rates in India	25.17%	27.82%
Computed tax expense	69.14	271.48
Tax effect of:		
Deduction under Chapter VI A	3.10	1.93
Exemption / profit link incentives	(3.78)	(2.89)
Other exempt income/Others	(4.59)	(0.37)
Previous year tax / Others-Interest	15.08	15.51
Tax Effect -Income taxed at Special Tax Rate	-	(21.38)
Fair Value Gain on Financial Assets	(1.78)	13.02
Actual Tax Expense	77.17	277.29
Current Tax	133.58	286.39
Defered tax	(56.41)	(9.10)
Tax expense reported in the statement of profit and loss	77.17	277.29

35 Earnings per share:

The Numerators and denominators used to calculate Earnings per Share:

Nominal Value of Equity Share (₹)	₹	10/-	10/-
Net Profit available for equity shareholders(₹In Lakh) = (A)	₹	197.53	698.56
Weighted Average number of shares outstanding during the year - (B)	Nos.	1,28,11,875.00	1,21,16,897.26
Basic and Diluted Earnings Per Share (₹) - (A) / (B)	₹	1.54	5.77

Reconciliation of weighted average number of equity shares:

Particulars	31 st March, 2023	31 st March, 2022
Equity shares outstanding at the beginning of the year	1,02,49,500	95,49,500
Equity shares issued during the year	25,62,375	7,00,000
Equity shares outstanding at the end of the year	1,28,11,875	1,02,49,500
Weighted average number of shares Outstanding	1,02,49,500	96,93,518
Weighted Average number of Bonus Shares Issued**	25,62,375	24,23,379
Total weighted average number of shares	1,28,11,875	1,21,16,897

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

** The Board of Directors of the Company has approved the issue of 25,62,375 Bonus Equity Shares to its existing shareholders in ratio of 1:4 (i.e. 1 (One) new Bonus Equity Share of face value of ₹10/- each on existing 4 (Four) Equity Shares of face value of ₹10/- each in its meeting held on 28th February, 2022 and the same was approved by the Shareholders of the Company on 31st March, 2022 through Postal Ballot Process. Accordingly, 25,62,375 Bonus Equity Shares were issued and allotted on 11th April 2022 and Earning per share has been adjusted against for the current and previous periods and presented in accordance with IND AS 33, Earning per share.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

36 Contingent liabilities and Commitments:

(i) Contingent Liabilities (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Income tax matters not acknowledged as debt	220.85	220.85
(b) Dues Raised by M.S.E.B which is protested by Company.	2.50	2.50
(c.) Sales Tax demands disputed by the Company relating to forms etc.	1.05	1.05
(Future Cashflows in respect of above are determinable only on receipt of Judgements/decision pending with various forums / authorities. The company is hopeful of succeeding & as such does not expect any significant liability to crystalize.)		
Total	224.40	224.40

(ii) Commitment (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	50.00	50.00

37 Payments to Auditors for the year

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Auditors' Remuneration & Expenses		
(a) As Auditors	4.70	5.00
(b) For Tax Audit	2.55	0.00
(b) Certification and Other matters	2.80	1.39
Total	10.05	6.39

38 Based on the guiding principles given in Ind AS 108 - "Operating segments", the Company is primarily engaged in the business of Dyesstuff, Organic Pigments & Organic Intermediates. As the Company's business activity falls within a single primary business segment, the disclosure requirements of Ind AS-108 in this regard are not applicable.

39 Analytical Ratio

Ratio	31 st March, 2023	31 st March, 2022	% Variation	Reason for variation
Current Ratio	1.35	1.27	6%	Refer note 1
Debt-Equity Ratio	0.53	0.56	-5%	Refer note 1
Debt Service Coverage Ratio	2.77	3.77	-27%	Refer note 2
Return on Equity Ratio	5.19%	21.39%	-76%	Refer note 3
Inventory turnover ratio	2.60	3.55	-27%	Refer note 4
Trade Receivables turnover ratio	3.54	3.45	3%	Refer note 1
Trade payables turnover ratio	2.5	2.73	-8%	Refer note 1
Net capital turnover ratio	6.22	7.26	-14%	Refer note 1
Net profit ratio	1.47%	5.24%	-72%	Refer note 5
Return on Capital employed	6.63%	13.86%	-52%	Refer note 5
Return on investment	2.18%	8.32%	-74%	Refer note 6

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Reason for variation

1. Not applicable as the variation is < 25%
2. There is variation in ratio mainly due to increase in interest cost and reduction in profit during the current year as compared with previous year.
3. There is variation in ratio due to increase in average shareholders fund and reduction in profit during the current year as compared with previous year.
4. There is variation in ratio due to increase in average inventory level during the current year as compared with previous year.
5. There is variation in ratio due to decrease in profit during the current year as compared with previous year.
6. There is variation in ratio due to decrease in profit and increase in average assets during the current year as compared with previous year.

Numerators and Denominators considered for the aforesaid ratios:

Ratio	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Total Debt	Shareholder's Equity
Debt Service Coverage Ratio	Earnings available for debt service *	Debt Service **
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity
Inventory turnover ratio	Cost of goods sold	Average Inventory
Trade Receivables turnover ratio	Net Sales	Avg. Accounts Receivable
Trade payables turnover ratio	Net Purchases	Average Trade Payables
Net capital turnover ratio	Net Sales	Working Capital
Net profit ratio	Net Profit	Net Sales
Return on Capital employed	Earning before interest and taxes	Capital Employed ***\$
Return on investment	Earning before interest and taxes	Avg. Total Assets

* Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc

** Debt service = Interest & Lease Payments + Principal Repayments

*** Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

\$ Borrowings does not includes Lease liabilities

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

40 Derivative Instruments and Unhedge Foreign Currency exposure

Derivative Outstanding as at the Reporting date (₹ In Lakh)

	As on 31 st March, 2023		As on 31 st March, 2022	
	Amount in base currency	Amount in ₹	Amount in base currency	Amount in ₹
	USD (In Lakh)		USD (In Lakh)	
Forward contract to sell USD	21.80	1,792	20.00	1,518.20

Above derivative instrument have been acquired for hedging purpose

Particulars of Unhedged Foreign Currency Exposures as at the Reporting date (₹ In Lakh)

		As on 31 st March, 2023		As on 31 st March, 2022	
		Amount in base currency	Amount in ₹	Amount in base currency	Amount in ₹
Trade receivable	USD (In Lakh)	5.68	467	20.67	1,569.28
	EURO (In Lakh)	0.44	40	-	-
Trade payables & borrowings	USD (In Lakh)	2.81	231	5.42	411.42

41 Related Party Disclosures

Related parties with whom transactions have taken place during the year:

I List of Related Parties

- a) Subsidiary Company
Shree Ambika Naturals Pvt. Ltd.
- b) Key Management Personal (KMP)
Mr V. P. Shah
Mr Mihir V Shah
Dr. S. N. Sahai
Mr Jagdeep Mehta
Ms Megha Satyendra Bhatti
Mr Prasannakumar Gawde
- c) Relatives of KMP
Late Ms. Jaya P. Shah
V. P. Shah HUF
Ms Mita V Shah
Mr Niloni M Shah
Mr Vatsal V Shah
Ms Kavita Varaiya
- d) Other Related Parties (Entities in which (KMP) or their relatives have significant influence)
Jayshree Chemicals
Amar Trading Corporation
Standardcon Pvt.Ltd.
Jayapriya Chemicals Industries Limited
Vip Chem LLP

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

II Transaction with Related Parties & Outstanding Balance as on 31st March, 2023 (₹ In Lakh)

Nature of transaction	Year	Subsidiary	Key Management Personnel	Relatives of KMP	Entities where Significant Influence
Purchase /Services	2022-2023	40.36	-	4.80	593.20
	2021-2022	-	-	4.80	555.74
Sale/Services/Interest	2022-2023	-	-	-	179.82
	2021-2022	-	2.16	-	218.90
Share/Warrant Subscription received	2022-2023	-	-	-	-
	2021-2022	-	374.63	208.13	-
Mangerial Remuneration /Salary/ Sitting Fees	2022-2023	-	179.43	34.70	-
	2021-2022	-	158.47	13.89	-
Balance Receivable/(Payable)	31/03/23	(23.74)	193.48	4.67	421.00
	31/03/22	25.52	201.98	6.38	384.37

42 Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced of liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables, other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(₹ In Lakh)

A

As at 31 st March, 2022	Total	Carrying value at Amortised cost	Carrying value at Fair value through Profit & loss		
			Level 1	Level 2	Level 3
Financial assets					
Non-current Investments	168.96	112.97	56.00	-	-
Trade Receivables	4,213.29	4,213.29	-	-	-
Cash and cash equivalents	169.93	169.93	-	-	-
Other bank balances	106.19	106.19	-	-	-
Other Financial Assets	73.20	73.20	-	-	-
Total	4,731.57	4,675.58	56.00	-	-
Financial liabilities					
Other non-current financial liability	649.19	649.19	-	-	-
Trade and other payables	3,905.76	3,905.76	-	-	-
Other current financial liabilities	2,534.16	2,555.87	-	(22)	-
Total	7,089.11	7,110.82	-	(22)	-

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

(₹ In Lakh)

As at 31 st March, 2023	Total	Carrying value at Amortised cost	Carrying value at Fair value through Profit & loss		
			Level 1	Level 2	Level 3
Financial assets					
Non-current Investments	161.90	112.97	48.93	-	-
Trade Receivables	3,352.49	3,352.49	-	-	-
Cash and cash equivalents	436.61	436.61	-	-	-
Other bank balances	139.74	139.74	-	-	-
Other Financial Assets	56.79	56.79	-	-	-
Total	4,147.52	4,098.60	48.93	-	-
Financial liabilities					
Other non-current financial liability	611.64	611.64	-	-	-
Trade and other payables	3,354.06	3,354.06	-	-	-
Other current financial liabilities	2,593.39	2,589.90	-	3.50	-
Total	6,559.10	6,555.60	-	3.50	-

During the reporting period ending 31st March 2023 and 31st March 2022, there was no transfer between level 2 and level 3 fair value measurements.

Valuation techniques used to determine fair value

Type	Specific valuation techniques
Non-current investments - others	The use of quoted market prices available.
Financial liabilities on account of derivatives	Fair value is determined using the quotes obtained from the banks.

43 Financial risk management objectives and policies

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk"

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of following financial assets represents the maximum credit exposure.

Trade & Other receivable

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, including the default risk of the industry and country in which customers operate and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances are monitored on a monthly basis with the result that the Company's exposure to bad debts is not considered to be material. The Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Impairment

Ageing of trade and other receivables that were not impaired was as follows: (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Considered Good		
0-12 Months	3,116.60	4,013.51
More Than 1 year	235.89	199.79
Carrying Amount of receivable	3,352.49	4,213.30

Management believes that the unimpaired amounts that are past due by more than 1 year are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Cash & Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long term funding and liquidity management requirements.. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ In Lakh)

Financial Liabilities	As at 31 st March, 2022		
	Less than 1 year	More than 1 year	Total
Other non-current financial liability	-	649.19	649.19
Trade and other payables	3,905.76	-	3,905.76
Other current financial liabilities	2,534.16	-	2,534.16
Total Financial Liabilities	6,439.92	649.19	7,089.11

(₹ In Lakh)

Financial Liabilities	As at 31 st March, 2023		
	Less than 1 year	More than 1 year	Total
Other non-current financial liability	-	612	612
Trade and other payables	3,354	-	3,354
Other current financial liabilities	2,593	-	2,593
Total Financial Liabilities	5,947	612	6,559

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and payables.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

a) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Company is exposed to currency risk significantly on account of its trade payables, borrowings and other payables denominated in foreign currency. The functional currency of the Company is Indian Rupee. The Company currently hedge its foreign currency risk by taking foreign exchange forward contracts.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

(₹ In Lakh)

Foreign currency exposure	Currency	31 st March, 2023	31 st March, 2022
Trade receivables & Advance	USD in '000	27.47	40.67
Cash and cash equivalents	USD in '000		
Net exposure to foreign currency risk (assets)		27.47	40.67
Trade payables	USD in '000	2.81	5.42
Borrowings	USD in '000	5.00	5.00
Other financial liabilities	USD in '000	-	-
Net exposure to foreign currency risk (liabilities)	USD in '000	7.81	10.42
Rupee Conversion Rate		82.21	75.91

Foreign currency sensitivity

The Company is exposed to the currencies as mentioned above. The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A reasonably possible strengthening (weakening) of the Indian Rupee against other currencies at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ In Lakh)

Foreign currency	31 st March, 2023		31 st March, 2022	
	5%	5%	5%	5%
	Weakening	Strengthening	Weakening	Strengthening
USD	80.83	(80.83)	114.81	(114.81)
Decrease / (Increase) in profit and loss	80.83	(80.83)	114.81	(114.81)

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing borrowings is as follows:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Current Borrowings		
Variable rate borrowings	2,240.77	2,273.92
	2,240.77	2,273.92

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

Interest rate risk sensitivity

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

(₹ In Lakh)

	31 st March, 2023		31 st March, 2022	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Impact on profit	(11.20)	11.20	(11.37)	11.37
Increase / (decrease) in profit and loss	(11.20)	11.20	(11.37)	11.37

44 Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company and borrowings.

The Company manages its funds in a manner that it achieve maximum returns (net of taxes) with minimum risk to the capital and consider the liquidity concerns for its working capital requirements.

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Borrowings (long-term and short-term borrowings including current maturities)	2,852.41	2,923.10
Cash & Cash Equivalent including Other current financial asset	633.14	349.32
Adjusted net debt	2,219.27	2,573.79
Total Equity	5,333.24	5,254.57
Adjusted net debt to equity ratio	0.42	0.49

45 In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under

Indian Subsidiary	Percentage of ownership Interest as on	
	31 st March, 2023	31 st March, 2022
Shri Ambika Naturals Private Ltd	56.04%	56.04%

46 The Board of Directors of the Company has recommended a final dividend of ₹0.90 per equity share for the year ended 31st March, 2023 (Previous Year ₹0.90 per equity share). The said dividend will be paid after the approval of shareholders at the Annual General Meeting.

47 The Company has deposits of ₹74 Lakh with the Pyrates Phosphates & Chemicals Ltd (PPCL) which is overdue. However the company has filed a suit with District Court and for the same District Court has given the ruling in favour of the Company by the way of decree. The Company has now filled an application for the execution of the preferential claim for the decree against PPCL and as per the latest order given by the Honourable High Court Patna, it has been decided that the claim may be considered upon liquidation / disposal of all the assets of PPCL. In view of that, the management has not made any provision for doubtful deposits.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

- 48** In the opinion of the Board of Directors to the best of Knowledge and belief all the current assets, loans and advances have been stated at realisable value at least of an amount equal to the amount at which they are stated in Balance Sheet which are subject to reconciliation and confirmation, necessary adjustment if required will be after reconciliation.

(₹ In Lakh)

49 Corporate Social Responsibility Expense	31st March, 2023	31st March, 2022
<i>Amount required to be spent during the year</i>		
Corporate Social Responsibility Expense	17.02	14.13
<i>Amount spent during the year (paid in cash)</i>		
i) Acquisition /construction of any asset	-	-
ii) Purpose other than above (i)	17.50	14.51
<i>Amount spent during the year (yet to be paid in cash)</i>		
i) Acquisition /construction of any asset	-	-
ii) Purpose other than above (i)	-	-
	17.50	14.51

- 50** Due to the outbreak of Pandemic "Novel Coronavirus' (COVID - 19), the Company continues to take various precautionary measures to protect employees from COVID - 2019 and has encouraged work from home for its employees at its offices and maximizing digital modes of communication. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Receivables and other Current Assets. The Company has performed sensitivity analysis on these current estimates and expects that the carrying amount of these assets will be recovered. However, the actual impact of COVID-19 on these financial statements may differ from the estimates and the company will continue to closely monitor any material changes to future economic conditions.

- 51** Business Combination :The scheme of Arrangement for the merger of Efferchem Private Limited (ECPL) with the Vipul Organics Limited (the scheme) was approved by the National Company Law Tribunal ("NCLT") at Mumbai vide their order dated 15th May, 2020. Upon the filing of the order with the Registrar of Companies, Mumbai the scheme became effective from 26th June, 2020 having the appointed date 1st April, 2017. The scheme has been accounted under the pooling of interest method with effect from appointed date as per the above mentioned NCLT order and accordingly the comparatives for the earlier periods / year have been restated. 18,25,000 new equity shares of ₹10/ each fully paid up of the Company were allotted on 30th June 2020 to the shareholders of Efferchem Private Limited pursuant to the Scheme of Amalgamation of. Consequent to the allotment, the paid-up Capital of Vipul Organics Limited has increased to ₹9,54,95,000/- divided into 95,49,500 equity shares of ₹10/ - each fully paid up. Earnings per share for all earlier periods / year have been computed after considering the shares to be issued to the shareholders of (ECPL) and disclosed as share suspense in the results for previous periods. ECPL is in the same business of manufacturing of Pigments , Naphthols and Fast Salts.

52 Additional regulatory information required by Schedule III to the Companies Act, 2013

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

Notes to the Standalone Financial Statements for the financial year ended 31st March, 2023

- (iii) The Company has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- (vi) Utilization of borrowed funds and share premium:
 - (I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 - (II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (vii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (viii) The company has not granted any loans or advances in the nature of loans either repayable on demand.

53 The Company had received in FY 2021-2022 ,Credit Linked Capital Subsidy Scheme amounting to ₹22.62 Lakh against capital investment made in Plant & Machinery for the year 2019-2020 . Government grants relating to the purchase of plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

54 Previous year figures are regrouped / re classified wherever necessary to correspond with current year classification /disclosure.

The figures have been rounded off to the nearest Lakh of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than ₹50,000/-.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

INDEPENDENT AUDITOR'S REPORT

To the Members of Vipul Organics Limited

Report on the Audit of the Consolidated financial statements

Opinion

We have audited the accompanying Consolidated financial statements of **Vipul Organics Limited** ("the Holding Company") and its subsidiary, (Holding Company and its subsidiary together referred to as "the Group") , which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the financial statements, including 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with

the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were 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 these matters.

We have determined that there are no other key audit matters to be communicated in our report.

Information Other than the Consolidated financial statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Holding Company's Annual report but does not include the standalone and consolidated financial statements and our auditor's report thereon.

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 in 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 on the even date.

Management's Responsibility for the Consolidated financial statements

The Holding Company's management and Board of Directors 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 consolidated financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

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 could 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 judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system, in relation to the financial statements, in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Group 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 business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities or business activities included in the consolidated financial statements of which we are the Independent Auditors. We remain solely responsible for our audit opinion.

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 the Management of holding company and other entities included in consolidated financial statement of which we are the independent auditors 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 should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit we report that:
- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of change in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2023 taken on record by the Board of Directors of the holding



company and the report of the statutory auditors of the subsidiary company, none of the directors of the Group is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

i. The Consolidated financial statements disclose the impact of pending litigations, which will have an impact on its consolidated financial position in its financial statements- refer note 36 to the consolidated financial statements.

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

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

iv. a) The respective Management of the Holding company and subsidiary have represented that, to the best of its knowledge and belief, 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 or subsidiary 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 any subsidiary or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Management of the Holding company and subsidiary has represented that, to the best of its knowledge and belief, no funds have been received by the Company or subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or subsidiary 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.

c) Based on the audit procedures performed that has 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) contain any material mis- statement.
- v. The dividend declared and paid during the current year and previous year by the Holding Company is in compliance with section 123 of the Act.
 - vi. As the proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company only with effect from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
 - vii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the

information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated Financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Reg. No. 108331W

P. J. Rajani
Proprietor
Membership No. 116740
UDIN: 23116740BGVCOL7504

Place: Mumbai
Date: 30th May, 2023

“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Vipul Organics Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to consolidated financial res of the Vipul Organics Limited (“the Holding Company) and its Subsidiary company incorporated in India (the Holding Company and the subsidiary company incorporated in India together referred to as “the Group”) as of 31st March, 2023 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 consolidated financial statements 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 over financial reporting over consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 Group’s Internal financial controls over financial reporting with reference to Consolidated financial statements

Meaning of Internal Financial Controls Over Financial reporting with reference to Financial Statements

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

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to Financial statements

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 over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the explanation given to us, the Group has, in all material respects, an adequate internal financial controls over financial reporting with reference to Consolidated financial statements and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Reg. No. 108331W

P. J. Rajani
Proprietor
Membership No. 116740
UDIN: 23116740BGVCOL7504

Place: Mumbai
Date: 30th May, 2023

Consolidated Balance Sheet as at 31st March, 2023

(₹ in Lakh)

Particulars	Note No.	31 st March, 2023	31 st March, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	3,197.83	3,514.92
Right of use assets	4	317.41	89.76
Intangible Assets	4	6.59	8.89
Capital work-in-progress	4	33.85	3.37
Other Investment-Financial Asset	5	49.35	56.41
Other non-current assets	6	356.53	391.75
Asset held for Sale	7	48.89	-
		4,010.44	4,065.11
Current Assets			
Inventories	8	3,539.43	3,079.86
Financial assets			
Trade receivables	9	3,400.32	4,261.11
Cash and Cash equivalents	10	438.03	181.87
Other bank balances	11	139.74	106.19
Other Financial assets	12	56.79	73.20
Other current assets	13	804.07	908.26
		8,378.38	8,610.48
TOTAL		12,388.82	12,675.59
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	1,281.19	1,024.95
Other Equity	15	4,019.91	4,206.83
Equity attributable to owners of the company		5,301.10	5,231.78
		(15.51)	(14.53)
Non Controlling Interest			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	611.64	649.19
Lease Liabilities	17	280.96	83.50
Non Current provisions	18	1.77	1.77
Deferred tax liabilities (Net)	19	(16.55)	34.79
Other non Current Liabilities	20	59.00	-
		936.81	769.25
Current Liabilities			
Financial Liabilities			
Borrowings	21	2,240.77	2,273.92
Trade payables	22		
Total Outstanding Dues -Micro and small enterprises		245.78	155.20
Total Outstanding Dues -Others		3,089.61	3,755.46
Other Financial liabilities	23	352.68	260.31
Other current liabilities	24	112.53	51.37
Short-term provisions	25	125.05	192.85
		6,166.41	6,689.10
TOTAL		12,388.82	12,675.59

See accompanying notes to the financial statements
In terms of our report attached.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Consolidated Statement of Profit & Loss for the financial year ended 31st March, 2023 (₹ in Lakh)

Particulars	Note No.	31 st March, 2023	31 st March, 2022
I. Revenue from operations	26	13,393.25	13,319.69
II. Other income	27	6.48	66.76
III. Total Income (I + II)		13,399.73	13,386.44
IV. Expenses:			
Cost of materials consumed	28	5,285.03	5,816.19
Purchases of Stock-in-Trade	28	3,790.25	4,066.29
Changes in Inventories of Stock-in-Trade	29	(482.79)	(1,294.31)
Employee benefits expense	30	882.40	673.01
Finance costs	31	267.12	164.10
Depreciation & Amortisation	32	632.25	522.45
Other Expenses	33	2,752.71	2,464.58
Total Expenses		13,126.97	12,412.31
V. Profit before tax (III-IV)		272.76	974.13
VI. Tax expense:			
(1) Current tax	34	126.50	286.39
(2) Adjustment in respect of earlier years		7.08	-
(3) Deferred tax		(48.01)	(9.10)
Total Tax expense		85.56	277.29
VII. Profit for the year (V-VI)		187.20	696.83
VIII. Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss		(10.04)	(9.56)
Remeasurement of defined benefit obligations			
Income tax relating to above items that will not be reclassified to profit or loss		3.33	2.66
Other comprehensive income/(loss) net of tax		(6.71)	(6.90)
IX. Total comprehensive income net of tax (VII+VIII)		180.49	689.93
Attributable to:			
Owners of the Company		181.47	690.69
Non Controlling Interest		(0.98)	(0.76)
X. Earnings per equity share:	35		
(1) Basic		1.47	5.76
(2) Diluted		1.47	5.76

See accompanying notes to the financial statements
In terms of our report attached.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Consolidated Cash Flow Statement for the financial year ended 31st March, 2023

(₹ in Lakh)

Particulars	31 st March, 2023	31 st March, 2022
A Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax & Prior Period Items	272.76	974.13
Adjustment for		
Depreciation and amortisation expense	632.25	522.45
Other Comprehensive Income	(6.71)	(6.90)
Interest Income	(8.19)	(10.77)
Dividend Income	(0.82)	(0.84)
Fair Value Gain on Financial Assets	7.07	46.81
Finance Cost	267.12	164.10
(Gain) / Loss on sale of Investment	-	(95.66)
(Gain) / Loss on sale of Capital Asset	4.79	6.21
Subsidy Deferred Revenue Income	(4.54)	(6.29)
Operating Profit before Working Capital Changes	1,163.73	1,593.23
Adjustment for:		
Decrease/ (Increase) in Inventories	(459.57)	(1,271.42)
Decrease/ (Increase) in Trade Receivable	860.80	(723.64)
Decrease/ (Increase) in current asset/Other Financial Asset	87.04	397.45
Decrease/ (Increase) in non current Assets	35.22	(36.23)
Increase/(Decrease) in Trade Payables	(575.27)	586.74
Increase/ (Decrease) in other financial/Other Liabilities	102.47	(2.43)
Cash Generated from operations	1,214.42	543.69
Taxes Paid (Including TDS) (net)	(200.78)	(297.69)
Net Cash used in Operation	1,013.64	246.00
B Cash Flow from Investing Activities		
Purchase of Tangible and Intangible Assets	(311.27)	(1,349.75)
Proceeds from sale of Fixed Assets	0.40	107.15
Proceeds from sale of Investment	-	103.79
Proceeds from Subsidy for Fixed Asset	-	22.62
Interest Income	9.01	9.93
Net Cash from Investing Activities	(301.86)	(1,106.26)
C Cash Flow from Financing Activities		
Proceeds from Equity/ Warrant issue	-	582.75
Increase/ (Decrease) in Long term borrowing	(37.55)	(286.85)
Increase/ (Decrease) in Short term borrowing	(33.15)	498.39
Finance cost Paid	(267.12)	(164.10)
Dividend Paid	(117.80)	(87.97)
Net Cash from Financing Activities	(455.61)	542.22
Net Increase in Cash & Cash Equivalents	256.17	(318.03)
Opening Balance of Cash & Cash Equivalents	181.86	499.90
Closing Balance of Cash & Cash Equivalent	438.04	181.86

See accompanying notes to the financial statements
In terms of our report attached.

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Consolidated Statement of Changes in Equity for the financial year ended 31st March, 2023

a. Equity shares of ₹10 each issued, subscribed and fully paid (₹ in Lakh)

	31 st March, 2023		31 st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting period	1,02,49,500	1,024.95	95,49,500	954.95
Changes in equity share capital during the year	25,62,375	256.24	7,00,000	70.00
Balance at the end of the reporting period	1,28,11,875	1,281.19	1,02,49,500	1,024.95

b. Other Equity

	Reserves and Surplus				Other Comprehensive Income	Consolidation Reserve	Total
	Securities premium	Capital Reserve	General reserve	Retained Earnings			
Balance at 31st March 2021	969.78	62.78	90.10	1,776.23	(4.28)	0.48	2,895.08
Profit for the year	-	-	-	697.59	-	-	697.59
Addition / reduction during the year	707.00	-	-	(85.95)	(6.90)	-	614.15
Balance at 31st March 2022	1,676.78	62.78	90.10	2,387.88	(11.18)	0.48	4,206.83
Profit for the year	-	-	-	188.18	-	-	188.18
Addition / reduction during the year	(256.24)	-	-	(112.15)	(6.71)	-	(375.10)
Balance at 31st March 2023	1,420.54	62.78	90.10	2,463.91	(17.89)	0.48	4,019.92

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

1.1 Corporate Information

Vipul Organics Limited is a public limited domiciled in India incorporated under the provisions of the Companies Act ('the company') having its registered office at 102, Andheri Industrial Estate, Off Veera Desai Road, Andheri West, Mumbai 400053. The Company's principle activities are manufacturing & trading of Dyes stuff, Organic Pigments & Organic Intermediates.

The Consolidated financial statements for the year ended 31st March, 2023 were considered by the Board of Directors and approved for issuance on 30th May, 2023.

1.2 Statement of Compliance

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015.

1.3 Basis of preparation and presentation

The Consolidated financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 inputs are unobservable inputs for the asset or liability.

1.4. Basis for Consolidation & Principles for Consolidation

The consolidated financial statements include the financial statements of the Vipul Organics Limited, Holding Company and its Subsidiary Shree Ambika Naturals Private Limited.

The Group combines the financial statements of the Holding and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses and gains resulting from intra-group transactions are also eliminated except to the extent recoverable value of related assets is lower than their cost to the Group. Profit or loss of subsidiaries acquired or disposed during the year is recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Subsidiaries are all entities over which the Group exercises control. The Group controls an entity when the Group is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group and are de consolidated from the date the control ceases.

Excess of acquisition cost over the carrying amount of the Holding's share of equity of the acquiree at the date of acquisition is recognized as goodwill. In cases where the share of the equity in the acquiree as on the date of acquisition is in excess of acquisition cost, such excess of share in equity is recognised as 'Consolidation reserve' and classified under 'Reserves and Surplus'.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

As per Ind AS 110 - consolidated Financial Statements prescribed under the Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary or the Parent having no bearing on the true and fair view of the consolidated financial statements of the group are not disclosed in the consolidated financial statements.

The non-controlling interests comprise the portion of equity of subsidiaries that are not owned, directly or indirectly, by the Group. Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

1.5. Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest thousands, unless otherwise indicated.

2. Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of consolidated financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Estimates and underlying assumptions are

reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected. In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements.

2.1 Revenue recognition

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Export Sales are accounted on the date of Bill of Lading. Export benefits thereon are accounted on the basis of eligibility in the year of Export.

2.2 Impairment of investments in subsidiaries

The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.3 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

2.4 Litigation

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

3. Significant Accounting Policies

3.1 Property, plant and equipment:

Items of property, plant and equipment are stated at cost, less accumulated depreciation & impairment losses, if any. Cost comprises a) the purchase price including import duties and non-refundable

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

purchase taxes, after deducting trade discounts and rebates.,b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized

when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

3.2. Depreciation

Depreciation on Property, plant and equipment has been provided on written down value basis and manner prescribed in Schedule II to the Act. Depreciation on additions during the year has been provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded or demolished has been provided on prorata basis. Leasehold assets are amortized over the primary period of lease or its useful life, whichever is shorter on a straight line basis.

3.3. Intangible assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Computer software is amortized on written down value basis and manner prescribed in Schedule II to the Act.

3.4. Impairment of tangible and intangible assets

Company at the end of each reporting period reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised immediately in statement of profit and loss. A reversal of an impairment loss is also recognised immediately in Statement of Profit and Loss.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

3.5. Financial instruments

Financial assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition and measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

Financial assets amortised at cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Further, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition (1st April, 2016). Also, in accordance with Ind AS 27 company has elected the policy to account investments in subsidiaries at cost.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset and shall be recognised either to statement of profit & loss or OCI o as per classification of the respective asset.

Financial Liabilities

Initial Recognition and Measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

provisions of the instrument. Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent measurement

Financial liabilities are subsequently carried at fair value through profit and loss. For trade payables and other liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting of Financial assets and Financial Liabilities

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

3.6. Inventories

Inventories comprising of raw material & finished goods are carried at lower of cost and net realizable value. Cost is determined by using the First in First Out formula. Costs comprise all cost of purchase, cost of conversion and cost incurred in bringing the inventory to their present location and condition other than those subsequently recoverable by the Company from tax authorities.

Packing material, Stores & spares consumables are charged to revenue account.

3.7. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, goods and service tax. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Export Sales are accounted on the date of Bill of Lading. Export

benefits thereon are accounted on the basis of eligibility in the year of Export.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Dividend income from investments is recognised when the right to receive payment has been established

3.8. Foreign currencies

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.9. Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying asset is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

3.10. Leases

The Company adopted Ind AS 116 Leases and applied the standard to all lease contracts existing on 1st April, 2019, except those which are exempted under this standard, using the modified retrospective approach and therefore the

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

comparative information has not been restated and continues to be reported under Ind AS 17. The Company's lease asset classes primarily consist of leases of land and building. At the date of commencement of lease, the Company recognised a right-to-use assets and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve month or less (short-term leases) and low value leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The right-to-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right-to-use of assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right-to-use of assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The Lease liability is initially measured at amortized cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease, or if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease Liabilities are re-measured with corresponding adjustment to the related right to use of asset if company changes its assessment if whether it will exercise an extension or termination option.

3.11. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.12. Employee benefits

Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment obligations

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation at the end of each financial year. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The company recognises gains and losses

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

on the settlement of a defined benefit plan when the settlement occurs.

3.13. Income Taxes

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

Current tax

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

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its

assets and liabilities. Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.14. Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

3.15. Research and development expenses

Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognized as expense in the statement of profit and loss when incurred.

Expenditure incurred on fixed assets used for research and development is capitalized and depreciated in accordance with the depreciation policy of the Company.

3.16. Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). In this scenario, the number of equity

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.17. Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income. Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

3.18. Non-current assets held for sale

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as Assets Classified as Held for Sale. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

3.19. Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of

which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements.

3.20. Current / non-current classification

An asset is classified as current if:

- i) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- ii) it is held primarily for the purpose of trade;
- iii) it is expected to be realized within twelve months after the reporting period; or
- iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- i) it is expected to be settled in normal operating cycle;
- ii) it is held primarily for the purpose of trading;
- iii) it is expected to be settled within twelve months after the reporting period;
- iv) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

4 Property, plant and equipment

(₹ in Lakh)

	Gross Block			Accumulated depreciation / amortisation			Net block		
	As at 1 st April, 2022	Additions during the year	Deletion during the year	As at 31 st March, 2023	As at 1 st April, 2022	Deletion during the year	As at 31 st March, 2023	As at 1 st April, 2022	As at 31 st March, 2023
A Property, plant and equipment									
Factory Land	930.32	4.25	48.89	885.68	-	-	-	930.32	885.68
Factory Building	1,285.48	37.50	-	1,322.98	254.61	100.58	355.19	1,030.88	967.79
Plant & Machinery	2,468.44	133.39	-	2,601.83	1,120.49	358.16	1,478.65	1,347.96	1,123.18
Furniture & Fixtures	120.18	68.38	28.80	159.76	60.34	27.18	62.04	59.84	97.72
Electrical Installation	-	-	-	-	-	-	-	-	-
Lab Equipment	-	-	-	-	-	-	-	-	-
Motor Car/Vehicles	144.81	-	-	144.81	32.90	29.25	62.15	111.91	82.66
Office Equipment	51.20	22.91	27.79	46.31	30.75	15.57	19.79	20.45	26.52
Computer	45.59	14.53	16.69	43.42	35.24	12.90	32.22	10.34	11.21
Office Building	4.35	-	-	4.35	1.13	0.16	1.28	3.22	3.07
Total A	5,050.37	280.95	122.17	5,209.15	1,535.45	543.80	2,011.32	3,514.92	3,197.83
B Right to use assets (refer note 4B)									
Lease Assets	116.93	313.80	-	430.73	27.17	86.15	113.31	89.76	317.41
Total B	116.93	313.80	-	430.73	27.17	86.15	113.31	89.76	317.41
C Capital work-in-progress	3.37	33.85	3.37	33.85	-	-	-	3.37	33.85
Total C	3.37	33.85	3.37	33.85	-	-	-	3.37	33.85
D Intangible Assets									
Software	22.04	-	-	22.04	13.15	2.30	15.45	8.89	6.59
Total D	22.04	-	-	22.04	13.15	2.30	15.45	8.89	6.59

Refer note 16 & 21 for assets provided as security.

Factory Building includes ₹27.83 Lakh book value of erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Title deeds of Immovable Property not held in the name of the Company Land at Ankleshwar carrying value 25 Lakh.

Title deeds of Immovable Property not held in the name of the Company for Land at Saykha GIDC, Dahej carrying value 752.74 Lakh acquired in previous year wherein the Company is under the process of executing lease deed with GIDC.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Property, plant and equipment (contd.)

(₹ in Lakh)

	Gross Block			Accumulated depreciation / amortisation			Net block	
	As at 1 st April, 2021	Additions during the year	Deletion during the year	As at 31 st March 2022	As at 1 st April, 2021	Additions during the year	Deletion during the year	As at 31 st March 2022
A Property, plant and equipment								
Factory Land	283.11	754.98	107.78	930.32	-	-	-	283.11
Factory Building	1,121.35	164.14	-	1,285.48	161.39	93.22	254.61	959.96
Plant & Machinery	2,144.81	323.63	-	2,468.44	756.27	364.22	1,120.49	1,388.55
Furniture & Fixtures	92.80	27.38	-	120.18	48.18	12.16	60.34	44.62
Electrical Installation	-	-	-	-	-	-	-	-
Lab Equipment	-	-	-	-	-	-	-	-
Vehicles	95.18	89.48	39.85	144.81	57.80	13.72	38.63	37.38
Office Equipment	36.47	14.72	-	51.20	25.19	5.55	30.75	11.28
Computer	35.84	9.74	-	45.59	28.32	6.92	35.24	7.52
Office Building	4.35	-	-	4.35	0.96	0.17	1.13	3.39
Total A	3,813.92	1,384.08	147.63	5,050.37	1,078.10	495.96	1,535.45	2,735.81
B Right to use assets(refer note 4B)								
Lease Assets	116.93	-	-	116.93	3.78	23.39	27.17	113.15
Total B	116.93	-	-	116.93	3.78	23.39	27.17	89.76
C Capital work-in-progress	35.84	-	32.47	3.37	-	-	-	3.37
Total C	35.84	-	32.47	3.37	-	-	-	3.37
D Intangible Assets								
Software	22.04	-	-	22.04	10.05	3.10	13.15	11.99
Total D	22.04	-	-	22.04	10.05	3.10	13.15	8.89

Refer note 16 & 21 for assets provided as security.

Factory Building includes ₹27.83 Lakh book value of erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year. Title deeds of Immovable Property not held in the name of the Company Land at Ankleshwar carrying value 25 Lakh.

Title deeds of Immovable Property not held in the name of the Company for Land at Saykha GIDC, Dahej carrying value 752.74 Lakh acquired in current year wherein the Company is under the process of executing lease deed with GIDC

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

4A Capital WIP Ageing Schedule

(₹ in Lakh)

As at 31 st March, 2023	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	30.5	2.2	0.2	1.0	33.8
Projects temporarily suspended	-	-	-	-	-
	30.5	2.2	0.2	1.0	33.8
Intangible Assets					
Project in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2022	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Tangible Assets					
Project in Progress	2.16	0.21	0.73	0.27	3.37
Projects temporarily suspended	-	-	-	-	-
	2.16	0.21	0.73	0.27	3.37
Intangible Assets					
Project in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

4B Right to use

(i) Amounts to be recognised in balance sheet as on 31st March, 2023

The balance sheet shows the following amounts relating to leases :

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Right to use assets		
Lease hold land	430.73	116.93
Total	430.73	116.93
Lease liabilities		
Current	73.08	17.62
Non - Current	280.96	83.50
Total	354.04	101.12

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

(ii) Amounts to be recognised in Statement of Profit and Loss for the year ended 31st March, 2023

The Statement of Profit and Loss shows the following amounts relating to leases:

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2022
Depreciation		
Lease hold land/building	86.15	23.39
Total	86.15	23.39

Interest expenses on lease liabilities (included in finance cost) ₹51.58 Lakh

(iii) Total cash outflow for leases during financial year was :

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2022
Particulars		
Operating cash flows : Interest expenses	48.15	17.42
Total	48.15	17.42

5 Non-current Investments:

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2022
(a) Investments in Equity Instruments		
Equity Shares (Quoted & carried at fair value through Profit & loss)	48.93	56.00
(b) Investments in Government Securities :		
Government Securities (Unquoted at cost) (Deposited with Government authorities)	0.01	0.01
(c) Investments in Debentures:		
Debentures (at Cost)	0.41	0.41
Total	49.35	56.41

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Investment in Equity Shares (quoted) (fully paid up) at Fair Value through Profit and Loss (₹ In Lakh)

	As at			
	31 st March, 2023		31 st March, 2022	
	Units	Amount	Units	Amount
Arvind Ltd.(1000 (Prev.Yr. 1000) Equity shares Fully paid of ₹10 Each)	1,000	0.85	1,000	1.15
Arvind Smartspaces Ltd.(100 (Prev.Yr. 100) Equity shares Fully paid of ₹10 Each)	100	0.28	100	0.20
Arvind Fashion Ltd (200 (prev Yr 200) Equity shares Fully paid of ₹4 Each)	200	0.56	200	0.57
The Anup engg Ltd (37 (prev Yr 37)Equity shares Fully paid of ₹10 Each)	37	0.37	37	0.29
Bodal Chemicals Ltd.(2500 (Prev.Yr. 2500) Equity shares Fully paid of ₹2 Each)	2,500	1.44	2,500	2.52
Global Offshore Services Ltd.(8400 (Prev.Yr. 8400) Equity shares Fully paid of ₹10 Each)	8,400	1.71	8,400	3.78
Gujarat State Fertilizers & Chemicals Ltd.(895 (Prev.Yr. 895) Equity shares Fully paid of ₹2 Each)	895	1.07	895	1.45
HLV Ltd.(1000 (Prev.Yr. 1000) Equity shares Fully paid of ₹2 Each)	1,000	0.09	1,000	0.09
Kiri Industries Ltd.(500 (Prev.Yr. 500) Equity shares Fully paid of ₹10 Each)	500	1.42	500	2.45
Mafatlal Industries Ltd.(1720 Equity shares Fully paid of ₹12 Each (Prev.Yr. 346 Equity shares Fully paid of ₹10 Each)	346	0.71	346	0.60
NOCIL Ltd.(15,000 (Prev.15,000) Equity shares Fully paid of ₹10 Each)	15,000	31.00	15,000	37.34
Pricol Ltd.(3000 (Prev.Yr. 3000) Equity shares Fully paid of ₹1 Each)	3,000	6.22	3,000	3.90
Standard Industries Ltd.(9900 (Prev.Yr. 9900) Equity shares Fully paid of ₹5 Each)	9,900	2.54	9,900	1.19
Bank of Baroda Ltd.(402 (prev Yr 402)Equity shares fully Paid ₹2/- Each)	402	0.68	402	0.45
		48.93		56.00

6 Other Non Current Assets (Unsecured and considered good)

	(₹ In Lakh)	
	31 st March, 2023	31 st March, 2023
Capital Advances-Related (Refer note 41)	204.75	205.00
Capital Advances-Others	4.64	33.00
Deposits with Government Authorities and Others (Refer note 48 & 51)	147.14	153.75
Total	356.53	391.75

Deposits with Government Authorities and Others ₹ 2.70 Lakh of erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

7 Asset held for Sale

a) Description

Disposal of Lease Hold Land

The Board of Directors, have decided to dispose leasehold land admeasuring approximately 5000 square metres located at Dahej GIDC, Gujarat, India, subject to necessary approvals, consents, permissions from the concerned authorities to one party. The transaction will be completed in next year. Pursuant to the requirements of Ind AS 105 - "Non current Assets held for Sale", this has been classified as "Assets held for sale".

b) The Assets of Disposal Group classified as held for sale as on 31st March, 2023 are as under:

Particulars	31 st March, 2023
Assets	
Lease hold land	48.89
Total Assets	48.89

Against the same the Company has received advance of ₹ 59(Lakh).

8 Inventories

(At cost or net realisable value whichever is lower)

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Raw materials & Others	739.20	762.42
(b) Finished goods	2,800.23	2,317.44
Total	3,539.43	3,079.86

9 Trade receivables (Unsecured)

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Trade receivables-Considered Good	3,400.32	4,261.11
Trade receivables-Credit impaired	-	-
Total	3,400.32	4,261.11

The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are non-interest bearing.

Notes:

Of the above, trade receivables from related parties are as below	156.02	175.73
Expected credit loss	-	-
Net trade receivables from related parties	156.02	175.73

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Trade Receivable ageing schedule from the due date of payments :

(₹ In Lakh)

As at 31 st March, 2023	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - Considered good	2,337	571.67	207.76	60.51	45.07	178.15	3,400.32
(ii) Undisputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed dues - credit impaired	-	-	-	-	-	-	-
(iv) Disputed dues - Considered good	-	-	-	-	-	-	-
(v) Disputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed dues - credit impaired	-	-	-	-	-	-	-
	2,337.17	571.67	207.76	60.51	45.07	178.15	3,400.32

As at 31 st March, 2022	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - Considered good	3,200.00	798.20	15.31	88.44	3.16	156.01	4,261.12
(ii) Undisputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed dues - credit impaired	-	-	-	-	-	-	-
(iv) Disputed dues - Considered good	-	-	-	-	-	-	-
(v) Disputed dues - which has significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed dues - credit impaired	-	-	-	-	-	-	-
	3,200.00	798.20	15.31	88.44	3.16	156.01	4,261.12

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

10 Cash and Cash equivalents:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balances with Scheduled Bank:		
In Current Account	410.59	168.27
In EEFC Account	22.49	8.46
Cash in Hand	4.95	5.14
Total	438.03	181.87

11 Other bank balances

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Earmarked Balance		
Unpaid Dividend Account	11.16	12.10
In Fixed deposit	128.58	94.09
Total	139.74	106.19

12 Other Financial assets

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Deposit to Related parties (refer Note no 41)	56.79	51.49
Financial Asset liability on account of derivatives	-	21.71
Total	56.79	73.20

13 Other current assets: (Unsecured and considered good)

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Loans and advances to Related parties (refer Note no 41)	246.96	83.08
Loans and advances to Employees	23.33	-
Prepaid Expenses	47.67	53.36
Balance with Government Authorities		
GST	286.39	506.65
MVAT Refund	20.45	20.51
Service Tax	2.90	2.90
Advances recoverable in cash or kind or for value to be received		
Export Incentive	81.96	137.47
Advance to Suppliers	47.61	37.67
Others/Income tax	46.81	66.64
Total	804.07	908.26

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

14 Equity Share capital:

a) **Equity Share capital** (₹ In Lakh) (Except no of shares)

	31 st March, 2023		31 st March, 2022	
	No of shares	Amount	No of shares	Amount
Authorised Share Capital:				
Equity shares of ₹10 each	1,35,00,000	1,350.00	1,35,00,000	1,350.00
(During the year, there is no change in Authorised Share Capital)				
Issued, Subscribed and Fully Paid-up Shares:				
Equity shares of ₹10 each fully paid up	1,28,11,875	1,281.19	1,02,49,500	1,024.95

b) **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.**

	31 st March, 2023		31 st March, 2022	
	No of shares	Amount	No of shares	Amount
Outstanding at beginning of the year	1,02,49,500	1,024.95	95,49,500	954.95
Equity Shares Allotted during the year as Bonus ##	25,62,375	256.24	-	-
Equity Shares Allotted upon conversion of even number of warrants issued on preferential basis.**	-	-	7,00,000	70.00
Balance as at End of Year	1,28,11,875	1,281.19	1,02,49,500	1,024.95

The Company has allotted the bonus shares at 1:4 ratio in it's Board Meeting held on 11th April, 2022. Accordingly, the number of shares increased from 1,02,49,500 to 1,28,11,875. The paid-up capital on account of Bonus issue of ₹2.56 Crore has been appropriated from Securities Premium.

** In Previous year Company Issued equity shares at a premium of ₹101 per share on conversion of even no warrants issued on preferential basis to the promoter / promoter group.

c) **Terms / rights attached to equity shares**

Fully paid equity shares, which have a par value of ₹10/-, carry one vote per share and carry a right to dividends.

Dividends if recommend by the Board of Directors need approvals from the Shareholders at the Annual General Meeting. The Board of Directors may also declare interim dividends if in their judgement the position of the Company justifies.

During the year ended 31st March, 2023, the amount of per share dividend recognised as ₹0.90 (31st March, 2022 ₹0.90)

In the event of winding up / liquidation of the Company, the holder of equity shares will be entitled to receive a residual interest in proportion to the number of shares held by them at that time in the assets of the Company after deducting all of liabilities of the Company.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

d) List of shareholders /Promoters who holds more than 5% of equity shares in the company:

Name of the shareholders	31 st March, 2023		31 st March, 2022		% change during the year
	No of shares	% of Holding	No of shares	%	No of shares
Vipul P. Shah-Promotor	28,35,675	22.13%	22,46,100	21.91%	0.22%
Mihir V. Shah-Promotor Group	21,28,250	16.61%	17,02,600	16.61%	0.00%
Vatsal V. Shah-Promotor Group	16,79,250	13.11%	13,43,400	13.11%	0.00%
Mita V. Shah-Promotor Group	7,65,625	5.98%	6,12,500	5.98%	0.00%
Jaya P. Shah-Promotor Group	6,08,125	4.75%	4,86,500	4.75%	0.00%
	80,16,925	62.57%	63,91,100	62.36%	

- e) Aggregate number of shares issued during last five years pursuant to Stock Option Plans of the Company: Nil
- f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Particulars	31 st March, 2023	31 st March, 2022
	No of shares	No of shares
Bonus Shares issued in FY 2022-23	25,62,375	-

The Board of Directors of the Company has approved the issue of 25,62,375 Bonus Equity Shares to its existing shareholders in ratio of 1:4 (i.e. 1 (One) new Bonus Equity Share of face value of ₹10/- each on existing 4 (Four) Equity Shares of face value of ₹10/- each in its meeting held on 28th February, 2022 and the same was approved by the Shareholders of the Company on 31st March, 2022 through Postal Ballot Process. Accordingly, 25,62,375 Bonus Equity Shares were issued and allotted on 11th April 2022.

15 Other Equity

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Reserves and surplus:		
Capital Reserve	62.78	62.78
Securities Premium	1,420.54	1,676.78
General Reserve	90.10	90.10
Consolidation Reserve	0.48	0.48
Retained Earnings	2,463.90	2,387.88
Other reserves-Accumulated other comprehensive income	(17.89)	(11.18)
Total	4,019.91	4,206.83

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Reserves and surplus:

15.1 Capital Reserve (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	62.78	62.78
Balance at end of year	62.78	62.78

15.2 Securities Premium Account: (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	1,676.78	969.78
Add /Less: Premium on Issue Of Equity Shares **	-	707.00
Add /(Less): Utilised for allotment of Bonus Shares	(256.24)	-
Balance at end of year	1,420.54	1,676.78

The Company has allotted the bonus shares at 1:4 ratio in it's Board Meeting held on 11th April 2022. The Securities Premium has been appropriated for Issue of Bonus Shares issued .

**During the previous year, 7,00,000 Equity Shares of ₹10/- were issued to the promoter / promoter group upon conversion of even number of warrants issued on preferential basis at a premium of ₹101 per share.

15.3 General Reserve (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	90.10	90.10
Balance at end of year	90.10	90.10

15.4 Retained Earnings (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	2,387.88	1,776.23
Add: Profit after Tax for the year	188.18	697.59
Less: Appropriations:		
Opening Balance Impact of New Lease Asset under IND AS 116	3.16	-
Dividend - Final	(115.31)	(85.95)
Balance at end of year	2,463.90	2,387.88
Proposed dividend on equity shares not recognised		
Final dividend for the year ended ₹0.9 per share (PY ₹0.9 per share)	115.31	92.25

15.5 Other reserves-Accumulated other comprehensive income (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Balance at beginning of year	(11.18)	(4.28)
Other comprehensive income	(6.71)	(6.90)
Balance at end of year	(17.89)	(11.18)

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

16 Long term borrowings:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Secured Loans		
Term Loan from Bank		
Loan from Bank Against Vehicles	-	4.86
Loan from Bank Against Plant & Machinery /Factory Building Tarapore	591.17	603.87
(refer note 21 -Current Maturity of long term Loan) Sub Total (a)	591.17	608.73
Term Loan from Others		
Loan from Others Against Vehicles	20.47	39.51
(refer note 21 -Current Maturity of long term Loan) Sub Total (b)	20.47	39.51
(b) Unsecured Loans		
Loan from Director/relative of Directors**	-	0.95
Sub Total (c)	-	0.95
Total (A) + (B) +(C)	611.64	649.19

** (Loan from Director/relative of Directors are pertaining to erstwhile Efferchem Private limited acquired pursuant to the scheme of arrangement refer note no 51)

Term Loans from Banks-Against Vehicles

₹4.96 Lakh (Previous Year ₹11.68 Lakh) secured by hypothecation of vehicle from Bank of Baroda repayable in 36 Equal monthly instalments and carry interest rate of 7.45 % p.a.

Term Loan from Bank Against Plant & Machinery /Factory Building Tarapore

₹481.83 Lakh (Previous Year ₹475.83 Lakh) secured by hypothecation of movable fixed assets and Factory Building at Tarapore wherein in Term loan for ₹90000('000) principal payable in equal monthly installment of ₹11.70 Lakh over period of 78 months after initial moratorium period of 6 months from date of disbursement from Axis Bank Ltd. and carry interest rate of 9.85 % & 9.60% . 6.65% on Foreign Currency Term Loan (6 months Libor + 4.14 %). Second Charge on Current assets by way of Hypothecation on Stock and Book debts present and future on pari-passu basiss with Bank of Baroda . Along with personal guarantee of Mr. Vipul Shah & Mr. Mihir Shah.

₹179.44 Lakh (Previous Year ₹292.78 Lakh working capital Term Loan secured by existing hypothecation of the bankers and 100% credit gurantee by NCGTC principal payable in equal monthly installment of ₹9.44 Lakh over period of 36 months after initial moratorium period of 12 months from date of disbursement from Axis Bank Ltd. and carry interest rate of 7.65%.

₹62.00 Lakh (Previous Year ₹103.33 Lakh working capital Term Loan secured by existing hypothecation of the bankers and 100% credit gurantee by NCGTC principal payable in equal monthly installment of ₹ 3.44 Lakh over period of 36 months after initial moratorium period of 12 months from date of disbursement from Axis Bank and carry interest rate of 8 %.

₹160.00 Lakh (Previous Year ₹ Nil) working capital Term Loan secured by existing hypothecation of the bankers and 100% credit gurantee by NCGTC principal payable in equal monthly installment of ₹3.44 Lakh over period of 60 months from date of disbursement from Axis Bank and carry interest rate of 7.65%. **Secured Term**

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Loans from Others

₹41.39 Lakh (Previous Year ₹59.04 Lakh) secured by hypothecation of vehicles from Daimler Financials Services India Ltd. Equal monthly instalments over the period of 3 Years by 13th March 2025 and carry interest rate of 6.83 % p.a.

17 Lease Liabilities

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Lease Liabilities (refer note 4B)	280.96	83.50
Total	280.96	83.50

18 Non Current Provision

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Provision for Gratuity	1.77	1.77
Total	1.77	1.77

19 Deferred Tax Liabilities

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Major components of deferred tax are:		
Related to Property ,Plant & Equipment	3.55	41.03
Others	(20.10)	(6.24)
Net Deferred Tax Liability	(16.55)	34.79

20 Other non Current Liabilities

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Advance received- Leasehold Land (refer note 7)	59.00	-
	59.00	-

21 Short-term borrowings:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Loans repayable on demand		
From banks		
Secured	1,922.78	1,903.67
Current Maturity of long term Loan		
From Bank & Others	317.99	370.25
From other parties		
Unsecured	-	-
Total	2,240.77	2,273.92

From Bank of Baroda

The working capital facilities from Banks are secured by way of Hypothecation of Stock and Book Debts, ranking pari passu . The above loans also covered by following colateral securities as under:-

i) EMDTD of land property & building with machinery/electricals installation situated at Plot no 12 ,Survey no 35,Dewan & Sons Industrial Estate,Palghar

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

- ii) Land & Building along with machineries at Plot no.11, Diwan & Sons Industrial Estate ,Palghar.
- iii) Land & Building along with machineries at Plot no 10 & 16, Diwan & Sons Ind.Est.Palghar & Machinery at Plot no 10 of Jayshree Chemicals.
- iv) Also covered in personal guarantee of Vipul Shah & corporate gaurantee of M/s. Jayshree Chemicals.

From Axis Bank

The working capital facilities from Banks are secured by way of Hypothication of Stock and Book Debts ,ranking parri passu. The above loans also covered by following colateral securities as under:-

- i) Factory Land & building & Movable Fixed assets at Plot no T-1115 ,Tarapur Industrial Area,Village Pamtembhi, Taluka Palghar,Thane.
- ii) Also covered in personal guarantee of Vipul Shah & Mihir Shah .

22 Trade payables

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Total Outstanding Dues -Micro and small enterprises	245.78	155.20
Total Outstanding Dues -Other than micro & small enterprises **	3,089.61	3,755.46
Total	3,335.39	3,910.66

According to information available with the management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

22.a

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
i) Principal amount remaining unpaid	245.78	155.20
ii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv) The amount of interest due accrued and remaining unpaid at the end of each accounting year.	1.50	1.24
v) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	1.50	1.24

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

22.b Trade Payables ageing schedule from the due date of payments :

As at 31st March, 2023 (₹ In Lakh)

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	133.65	105.28	5.53	0.12	1.20	245.78
(ii) Others	1,625.91	1,138.58	126.89	117.75	80.48	3,089.61
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,759.56	1,243.86	132.42	117.87	81.68	3,335.39

As at 31st March, 2022

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	121.46	14.67	10.05	9.01	0.00	155.20
(ii) Others	2286.37	197.20	139.07	1131.45	1.37	3755.46
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,407.83	211.87	149.12	1,140.46	1.37	3,910.66

23 Other Financial Liabilities:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Creditors for Fixed Assets & Provision for Expenses	231.38	207.08
Unclaimed Dividend	11.17	12.10
Lease Liabilities (refer note 4B)	73.08	17.62
Financial liability on account of derivatives	3.50	-
Deposit from Dealers	33.50	23.50
Total	352.63	260.31

24 Other current liabilities:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Advance from Customers	79.37	20.31
Subsidy -Deferred Revenue Income (refer note 54)	11.78	16.32
Duties & taxes	21.38	14.73
Total	112.53	51.37

25 Short-term provisions:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Provision for Tax	125.05	192.85
Total	125.05	192.85

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

26 Revenue from operations

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Export sales	8,761.28	9,824.29
Local sales	4,490.21	3,311.48
Export incentives (Dyestuff , Organic Pigments and Intermediates)	141.76	183.92
Total	13,393.25	13,319.69

27 Other income:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Interest on Deposit with Banks & Others	2.89	5.97
Interest on Security Deposit-IND AS	5.30	4.81
Dividend on Investments	0.82	0.84
Fair Value Gain/(Loss) on Financial Assets	(7.07)	(46.81)
Gain/(Loss) on sale of Investment	-	95.66
Subsidy Deferred Revenue Income (Refer Note 53)	4.54	6.29
Total	6.48	66.76

28 a) Cost of materials consumed

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(Chemicals & Others)		
Opening Stock	737.56	769.12
Add: Purchases	5,260.32	5,784.64
Less: Closing Stock	712.85	737.56
Total	5,285.03	5,816.19

b) Purchases of Stock-in-Trade

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Dyestuff , Organic Pigments and Intermediates	3,790.25	4,066.29
Total	3,790.25	4,066.29

29 Changes in Inventories of Stock-in-Trade

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Inventories at the end of the year		
Dyestuff , Organic Pigments and Intermediates	2,800.23	2,317.44
Sub-total (A)	2,800.23	2,317.44
Inventories at the beginning of the year		
Dyestuff , Organic Pigments and Intermediates	2,317.44	1,023.13
Sub-Total (B)	2,317.44	1,023.13
(A) - (B)	(482.79)	(1,294.31)

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

30 Employee benefits expense:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Salaries, Wages, Bonus and Gratuity	810.05	642.95
Contribution to Provident Fund and Other Funds	72.35	30.06
Total	882.40	673.01

31 Finance costs:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Bank Interest	191.45	145.76
Bank Charges-Processing Fees	21.22	0.91
Interest on Lease	51.58	17.42
Other Interest	2.87	-
Total	267.12	164.10

32 Depreciation & Amortisation

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Depreciation Expenses(Refer note no 4)	546.10	499.06
Amortisation of Lease Refer note no 4B	86.15	23.39
Total	632.25	522.45

33 Other Expenses

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Power and Fuel	814.22	740.23
Factory Expenses	65.77	102.47
Labour & Transport	494.70	466.25
Repairs & Maintenance	159.36	217.74
Packing Material	218.40	168.86
Export Clearing ,Freight & Forwarding	142.73	226.23
Professional & Legal Charges(Refer note no 37)	205.24	169.96
Travelling Expenses	127.94	57.84
Insurance Charges	62.71	40.24
Rent ,Rates & Taxes	28.21	68.35
Donation /Corporate Social Responsibility Expense (Refer note no 50)	30.79	17.31
Exchange Gain /Loss	54.57	(129.54)
Commission	82.00	105.57
Loss on sales of assets/Capital Asset Write off	4.79	6.21
Miscellaneous/ Office Expenses	165.24	177.22
Business Promotion	96.05	29.63
Total	2,752.71	2,464.59

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

34 Reconciliation of effective tax rate

(₹ In Lakh)

A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below::

	31 st March, 2023	31 st March, 2022
Profit before tax	272.76	974.13
Weighted average enacted tax rates in India	25.17%	27.82%
Computed tax expense	68.65	271.00
Tax effect of:		
Deduction under Chapter VI A	3.10	1.93
Exemption / profit link incentives/Mat	(3.78)	(2.89)
Other exempt income/Others	4.29	0.11
Previous year tax / Others-Interest	15.08	15.51
Tax Effect -Income taxed at Special Tax Rate	-	(21.38)
Fair Value Gain on Financial Assets	(1.78)	13.02
Actual Tax Expense	85.57	277.29
Current Tax	133.58	286.39
Deferred tax	(48.01)	(9.10)
Tax expense reported in the statement of profit and loss	85.56	277.29

35 Earnings per share:

The Numerators and denominators used to calculate Earnings per Share:

Nominal Value of Equity Share (₹)	₹	10/-	10/-
Net Profit available for equity shareholders(₹In Lakh) = (A)	₹	188.18	697.59
Weighted Average number of shares outstanding during the year - (B)	Nos.	1,28,11,875.00	1,21,16,897.26
Basic and Diluted Earnings Per Share (₹) - (A) / (B)	₹	1.47	5.76

Reconciliation of weighted average number of equity shares:

Particulars	31 st March, 2023	31 st March, 2022
Equity shares outstanding at the beginning of the year	1,02,49,500	95,49,500
Equity shares issued during the year	25,62,375	7,00,000
Equity shares outstanding at the end of the year	1,28,11,875	1,02,49,500
Weighted average number of shares Outstanding	1,02,49,500	96,93,518
Weighted Average number of Bonus Shares Issued**	25,62,375	24,23,379
Total weighted average number of shares	1,28,11,875	1,21,16,897

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

** The Board of Directors of the Company has approved the issue of 25,62,375 Bonus Equity Shares to its existing shareholders in ratio of 1:4 (i.e. 1 (One) new Bonus Equity Share of face value of ₹10/- each on existing 4 (Four) Equity Shares of face value of ₹10/- each in its meeting held on 28th February, 2022 and the same was approved by the Shareholders of the Company on 31st March, 2022 through Postal Ballot Process. Accordingly, 25,62,375 Bonus Equity Shares were issued and allotted on 11th April 2022 and Earning per share has been adjusted against for the current and previous periods and presented in accordance with IND AS 33, Earning per share.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

36 Contingent liabilities and Commitments:

(i) Contingent Liabilities (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Income tax matters not acknowledged as debt	220.85	220.85
(b) Dues Raised by M.S.E.B which is protested by Company.	2.50	2.50
(c.) Sales Tax demands disputed by the Company relating to forms etc.	1.05	1.05
(Future Cashflows in respect of above are determinable only on receipt of Judgements/decision pending with various forums / authorities. The company is hopeful of succeeding & as such does not expect any significant liability to crystalize.)		
Total	224.40	224.40

(ii) Commitment (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	50.00	0.00
	50.00	0.00

37 Payments to Auditors for the year

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Auditors' Remuneration & Expenses		
(a) As Auditors	5.00	5.00
(b) For Tax Audit	2.55	0.00
(b) Certification and Other matters	2.84	1.39
Total	10.39	6.39

38 Based on the guiding principles given in Ind AS 108 - "Operating segments", the Company is primarily engaged in the business of Dyesstuff, Organic Pigments & Organic Intermediates. As the Company's business activity falls within a single primary business segment, the disclosure requirements of Ind AS-108 in this regard are not applicable.

39 Analytical Ratio

Ratio	31 st March, 2023	31 st March, 2022	% Variation	Reason for variation
Current Ratio	1.36	1.29	6%	Refer note 1
Debt-Equity Ratio	0.54	0.56	-4%	Refer note 1
Debt Service Coverage Ratio	2.74	3.76	-27%	Refer note 2
Return on Equity Ratio	5.18%	21.45%	-76%	Refer note 3
Inventory turnover ratio	2.60	3.51	-26%	Refer note 4
Trade Receivables turnover ratio	3.50	3.42	2%	Refer note 1
Trade payables turnover ratio	2.5	2.72	-8%	Refer note 1
Net capital turnover ratio	6.05	6.93	-13%	Refer note 1
Net profit ratio	1.40%	5.23%	-73%	Refer note 5
Return on Capital employed	6.63%	13.90%	-52%	Refer note 5
Return on investment	2.18%	8.34%	-74%	Refer note 6

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Reason for variation

1. Not applicable as the variation is < 25%
2. There is variation in ratio mainly due to increase in interest cost and reduction in profit during the current year as compared with previous year.
3. There is variation in ratio due to increase in average shareholders fund and reduction in profit during the current year as compared with previous year.
4. There is variation in ratio due to increase in average inventory level during the current year as compared with previous year.
5. There is variation in ratio due to decrease in profit during the current year as compared with previous year.
6. There is variation in ratio due to decrease in profit and increase in average assets during the current year as compared with previous year.

Numerators and Denominators considered for the aforesaid ratios:

Ratio	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Total Debt	Shareholder's Equity
Debt Service Coverage Ratio	Earnings available for debt service *	Debt Service **
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity
Inventory turnover ratio	Cost of goods sold	Average Inventory
Trade Receivables turnover ratio	Net Sales	Avg. Accounts Receivable
Trade payables turnover ratio	Net Purchases	Average Trade Payables
Net capital turnover ratio	Net Sales	Working Capital
Net profit ratio	Net Profit	Net Sales
Return on Capital employed	Earning before interest and taxes	Capital Employed ***\$
Return on investment	Earning before interest and taxes	Avg. Total Assets

* Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc

** Debt service = Interest & Lease Payments + Principal Repayments

*** Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

\$ Borrowings does not includes Lease liabilities

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

40 Derivative Instruments and Unhedge Foreign Currency exposure

Derivative Outstanding as at the Reporting date (₹ In Lakh)

	As on 31 st March, 2023		As on 31 st March, 2022	
	Amount in base currency	Amount in ₹	Amount in base currency	Amount in ₹
	USD (In Lakh)		USD (In Lakh)	
Forward contract to sell USD	21.80	1,792	20.00	1,518.20

Above derivative instrument have been acquired for hedging purpose

Particulars of Unhedged Foreign Currency Exposures as at the Reporting date (₹ In Lakh)

		As on 31 st March, 2023		As on 31 st March, 2022	
		Amount in base currency	Amount in ₹	Amount in base currency	Amount in ₹
Trade receivable	USD (In Lakh)	5.68	467	20.67	1,569.28
	EURO (In Lakh)	0.44	40	-	-
Trade payables & borrowings	USD (In Lakh)	2.81	231	5.42	411.42

41 Related Party Disclosures

Related parties with whom transactions have taken place during the year:

I List of Related Parties

a) Key Management Personal (KMP)

Mr V. P. Shah
 Mr Mihir V Shah
 Dr. S. N. Sahai
 Mr Jagdeep Mehta
 Ms Megha Satyendra Bhatti
 Mr Prasannakumar Gawde

b) Relatives of KMP

Late Ms. Jaya P. Shah
 V. P. Shah HUF
 Ms Mita V Shah
 Mr Niloni M Shah
 Mr Vatsal V Shah
 Ms Kavita Varaiya

c) Other Related Parties (Entities in which (KMP) or their relatives have significant influence)

Jayshree Chemicals
 Amar Trading Corporation
 Standardcon Pvt.Ltd.
 Jayapriya Chemicals Industries Limited
 Vip Chem LLP II

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

II Transaction with Related Parties & Outstanding Balance as on 31st March, 2023 (₹ In Lakh)

Nature of transaction	Year	Key Management Personnel	Relatives of KMP	Entities where Significant Influence
Purchase /Services	2022-2023	-	4.80	593.20
	2021-2022	-	4.80	555.74
Sale/Services/Interest	2022-2023	-	-	179.82
	2021-2022	2.16	-	218.90
Share/Warrant Subscription received	2022-2023	-	-	-
	2021-2022	374.63	208.13	-
Mangerial Remuneration /Salary/Sitting Fees	2022-2023	179.43	34.70	-
	2021-2022	158.47	13.89	-
Balance Receivable/(Payable)	31/03/23	193.48	4.67	468.83
	31/03/22	201.98	6.38	432.20

42 Financial Instruments - Accounting Classifications and Fair Value Measurements (₹ In Lakh)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced of liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables, other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

As at 31 st March, 2022	Total	Carrying value at Amortised cost	Carrying value at Fair value through Profit & loss		
			Level 1	Level 2	Level 3
Financial assets					
Non-current Investments	56.41	0.42	56.00	-	-
Trade Receivables	4,261.11	4,261.11	-	-	-
Cash and cash equivalents	181.87	181.87	-	-	-
Other bank balances	106.19	106.19	-	-	-
Other Financial Assets	73.20	73.20	-	-	-
Total	4,678.77	4,622.77	56.00	-	-
Other non-current financial liability	649.19	649.19	-	-	-
Trade and other payables	3,910.66	3,910.66	-	-	-
Other current financial liabilities	2,534.22	2,555.93	-	(22)	-
Total	7,094.07	7,115.77	-	(22)	-

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

(₹ In Lakh)

As at 31 st March, 2023	Total	Carrying value at Amortised cost	Carrying value at Fair value through Profit & loss		
			Level 1	Level 2	Level 3
Financial assets					
Non-current Investments	49.35	0.42	48.93	-	-
Trade Receivables	3,400.32	3,400.32	-	-	-
Cash and cash equivalents	438.03	438.03	-	-	-
Other bank balances	139.74	139.74	-	-	-
Other Financial Assets	56.79	56.79	-	-	-
Total	4,084.22	4,035.30	48.93	-	-
Financial liabilities					
Other non-current financial liability	611.64	611.64	-	-	-
Trade and other payables	3,335.39	3,335.39	-	-	-
Other current financial liabilities	2,593.45	2,589.95	-	3.50	-
Total	6,540.48	6,536.98	-	3.50	-

During the reporting period ending 31st March 2023 and 31st March 2022, there was no transfer between level 2 and level 3 fair value measurements.

Valuation techniques used to determine fair value

Type	Specific valuation techniques
Non-current investments - others	The use of quoted market prices available.
Financial liabilities on account of derivatives	Fair value is determined using the quotes obtained from the banks.

43 Financial risk management objectives and policies

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk"

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of following financial assets represents the maximum credit exposure.

Trade & Other receivable

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, including the default risk of the industry and country in which customers operate and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances are monitored on a monthly basis with the result that the Company's exposure to bad debts is not considered to be material. The Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Impairment

Ageing of trade and other receivables that were not impaired was as follows: (₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Considered Good		
0-12 Months	3,116.60	4,013.51
More Than 1 year	283.72	247.61
Carrying Amount of receivable	3,400.32	4,261.12

Management believes that the unimpaired amounts that are past due by more than 1 year are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Cash & Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long term funding and liquidity management requirements.. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ In Lakh)

Financial Liabilities	As at 31 st March, 2022		
	Less than 1 year	More than 1 year	Total
Other non-current financial liability	-	649.19	649.19
Trade and other payables	3,910.66	-	3,910.66
Other current financial liabilities	2,534.22	-	2,534.22
Total Financial Liabilities	6,444.88	649.19	7,094.07

(₹ In Lakh)

Financial Liabilities	As at 31 st March, 2023		
	Less than 1 year	More than 1 year	Total
Other non-current financial liability	-	612	612
Trade and other payables	3,335	-	3,335
Other current financial liabilities	2,593	-	2,593
Total Financial Liabilities	5,929	612	6,540

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and payables.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

a) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Company is exposed to currency risk significantly on account of its trade payables, borrowings and other payables denominated in foreign currency. The functional currency of the Company is Indian Rupee. The Company currently hedge its foreign currency risk by taking foreign exchange forward contracts.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

(₹ In Lakh)

Foreign currency exposure	Currency	31 st March, 2023	31 st March, 2022
Trade receivables & Advance	USD in '000	27.47	40.67
Net exposure to foreign currency risk (assets)		27.47	40.67
Trade payables	USD in '000	2.81	5.42
Borrowings	USD in '000	5.00	5.00
Other financial liabilities	USD in '000	-	-
Net exposure to foreign currency risk (liabilities)	USD in '000	7.81	10.42
Rupee Conversion Rate		82.21	75.91

Foreign currency sensitivity

The Company is exposed to the currencies as mentioned above. The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A reasonably possible strengthening (weakening) of the Indian Rupee against other currencies at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ In Lakh)

Foreign currency	31 st March, 2023		31 st March, 2022	
	5% Weakening	5% Strengthening	5% Weakening	5% Strengthening
USD	80.83	(80.83)	114.81	(114.81)
Decrease / (Increase) in profit and loss	80.83	(80.83)	114.81	(114.81)

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing borrowings is as follows:

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Current Borrowings		
Variable rate borrowings	2,240.77	2,273.92
	2,240.77	2,273.92

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

Interest rate risk sensitivity

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

(₹ In Lakh)

	31 st March, 2023		31 st March, 2022	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Impact on profit	(11.20)	11.20	(11.37)	11.37
Increase / (decrease) in profit and loss	(11.20)	11.20	(11.37)	11.37

44 Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company and borrowings.

The Company manages its funds in a manner that it achieve maximum returns (net of taxes) with minimum risk to the capital and consider the liquidity concerns for its working capital requirements.

(₹ In Lakh)

	31 st March, 2023	31 st March, 2022
Borrowings (long-term and short-term borrowings including current maturities)	2,852.41	2,923.10
Cash & Cash Equivalent including Other current financial asset	634.56	361.25
Adjusted net debt	2,217.85	2,561.86
Total Equity	5,301.10	5,231.78
Adjusted net debt to equity ratio	0.42	0.49

45 A) Business Combinations

i) Subsidiaries

The Group's subsidiaries as at 31st March, 2022 and March 31, 2021 are set out below. Unless otherwise stated, they have share capital that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Indian Subsidiary-Shri Ambika Naturals Private Ltd	Principal activities	% of ownership Interest as on	
		31 st March, 2023	31 st March, 2022
Ownership interest held by the group	Manufacturing of Dyes stuff & Organic Intermediates.	56.04	56.04
Proportion of ownership of Interest by non-controlling interests		43.96	43.96

ii) Non-controlling interests (NCI)

Set out below is summarised financial information subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for subsidiary are before inter-company eliminations.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

(₹ In Lakh)

Summarised Balance sheet	31st March, 2023	31st March, 2022
Shri Ambika Naturals Private Ltd		
Current assets	74.7	92.72
Current liabilities	61.3	30.47
Net current assets	13.4	62.25
Non Current assets	2.7	2.79
Non Current liabilities	(2.9)	(11.28)
Net non-current assets	5.5	14.07
Net assets	7.83	48.18
Accumulated NCI	(15.5)	(14.53)
Summarised Statement of Profit & Loss		
Shri Ambika Naturals Private Ltd		
Revenue	-	-
Profit for the year	(2.23)	(1.73)
Other comprehensive income	-	-
Total Comprehensive income	(2.23)	(1.73)
Profit allocated to NCI	(0.98)	(0.76)
Summarised cash flows		
Shri Ambika Naturals Private Ltd		
Cash flows from operating activities	(10.51)	(0.62)
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(10.51)	(0.62)

iii) Transactions with non- controlling interests

There are no transaction with non controlling interest in FY 2022-23 and 2021-22.

45 B) Additional Information as required by Paragraph 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

(₹ In Lakh)

Name of the Entity	Year	Net Assets i.e., total assets minus total liabilities		Share of Total comprehensive income	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Parent : Vipul Organics Limited	2022-23	98.60%	5,227.01	101.24%	182.72
	2021-22	98.54%	5,155.46	100.25%	691.66
Subsidiary (Indian) : Shree Ambika Naturals Private Limited	2022-23	1.40%	74.09	-1.24%	(2.23)
	2021-22	1.46%	76.32	-0.25%	(1.73)
Total	2022-23	100.00%	5,301.10	100.00%	180.49
	2021-22	100.00%	5,231.78	100.00%	689.93

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

46 In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under

Indian Subsidiary	Percentage of ownership Interest as on	
	31 st March, 2023	31 st March, 2022
Shri Ambika Naturals Private Ltd	56.04%	56.04%

47 The Board of Directors of the Holding Company has recommended a final dividend of ₹0.90 per equity share for the year ended 31st March, 2023 (Previous Year ₹0.90 per equity share). The said dividend will be paid after the approval of shareholders at the Annual General Meeting.

48 The Holding Company has deposits of ₹74 Lakh with the Pyrates Phosphates & Chemicals Ltd (PPCL) which is overdue. However the company has filed a suit with District Court and for the same District Court has given the ruling in favour of the Company by the way of decree. The Company has now filed an application for the execution of the preferential claim for the decree against PPCL and as per the latest order given by the Honourable High Court Patna, it has been decided that the claim may be considered upon liquidation / disposal of all the assets of PPCL. In view of that, the management has not made any provision for doubtful deposits.

49 In the opinion of the Board of Directors to the best of Knowledge and belief all the current assets, loans and advances have been stated at realisable value at least of an amount equal to the amount at which they are stated in Balance Sheet which are subject to reconciliation and confirmation, necessary adjustment if required will be after reconciliation.

(₹ In Lakh)

50 Corporate Social Responsibility Expense	31 st March, 2023	31 st March, 2022
<i>Amount required to be spent during the year</i>		
Corporate Social Responsibility Expense	17.02	14.13
<i>Amount spent during the year (paid in cash)</i>		
i) Acquisition /construction of any asset	-	-
ii) Purpose other than above (i)	17.50	14.51
<i>Amount spent during the year (yet to be paid in cash)</i>		
i) Acquisition /construction of any asset	-	-
ii) Purpose other than above (i)	-	-
	17.50	14.51

51 Due to the outbreak of Pandemic "Novel Coronavirus" (COVID - 19), the Company continues to take various precautionary measures to protect employees from COVID - 2019 and has encouraged work from home for its employees at its offices and maximizing digital modes of communication. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Receivables and other Current Assets. The Company has performed sensitivity analysis on these current estimates and expects that the carrying amount of these assets will be recovered. However, the actual impact of COVID-19 on these financial statements may differ from the estimates and the company will continue to closely monitor any material changes to future economic conditions.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

52 Business Combination : The scheme of Arrangement for the merger of Efferchem Private Limited (ECPL) with the Vipul Organics Limited (the scheme) was approved by the National Company Law Tribunal ("NCLT") at Mumbai vide their order dated 15th May, 2020. Upon the filing of the order with the Registrar of Companies, Mumbai the scheme became effective from 26th June, 2020 having the appointed date 1st April, 2017. The scheme has been accounted under the pooling of interest method with effect from appointed date as per the above mentioned NCLT order and accordingly the comparatives for the earlier periods / year have been restated. 18,25,000 new equity shares of ₹10/ each fully paid up of the Company were allotted on 30th June 2020 to the shareholders of Efferchem Private Limited pursuant to the Scheme of Amalgamation of. Consequent to the allotment, the paid-up Capital of Vipul Organics Limited has increased to ₹9,54,95,000/- divided into 95,49,500 equity shares of ₹10/- each fully paid up. Earnings per share for all earlier periods / year have been computed after considering the shares to be issued to the shareholders of (ECPL) and disclosed as share suspense in the results for previous periods. ECPL is in the same business of manufacturing of Pigments, Naphthols and Fast Salts.

53 Additional regulatory information required by Schedule III to the Companies Act, 2013

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (iii) The Company has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- (vi) Utilization of borrowed funds and share premium :
 - (I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 - (II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (vii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (viii) The company has not granted any loans or advances in the nature of loans either repayable on demand.

Notes to the Consolidated Financial Statements for the financial year ended 31st March, 2023

- 53** The Holding Company had received in FY 2021-2022 ,Credit Linked Capital Subsidy Scheme amounting to ₹22.62 Lakh against capital investment made in Plant & Machinery for the year 2019-2020 . Government grants relating to the purchase of plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.
- 54** Previous year figures are regrouped / re classified wherever necessary to correspond with current year classification /disclosure.

The figures have been rounded off to the nearest Lakh of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than ₹50,000/-.

As per our report of even date
In terms of our report attached

For **J. A. Rajani & Co.**
Chartered Accountants
Firm Registration No. 108331W

P. J. Rajani
Proprietor
Membership No.116740

Mumbai
Dated :30th May, 2023

For and on behalf of the Board of Directors
of **Vipul Organics Limited**

Vipul P. Shah
Managing Director
DIN: 00181636

Mihir V. Shah
Whole Time Director & CFO
DIN: 05126125

Dr. Shiv Nath Sahai
Director
DIN: 00332652

Dheerendra Verma
Company Secretary & Compliance Officer
Membership No.: A67817

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