

Vital Chemtech Limited :**Corporate Office:**

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

Plant Address :

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

+91- 79 -4891 1925, 2970 9525

www.vitalgroup.co.in @ info@vitalgroup.co.in

CIN Number : U24299GJ2021PLC127538

**DIRECTORS' REPORT**

To,
The Members,

Your Directors present herewith the 1st Annual Report together with the Audited Financial Statements and Auditors' report thereon for the year ended on 31st March, 2022.

FINANCIAL RESULTS / STATE OF COMPANY'S AFFAIR:

The Financial Results of the Company for the year ended on 31st March 2022 are as follows: -

(Amount in Rs.)

Particulars	Financial Year	
	2021-22	2020-21
Revenue from operations	57,61,45,692	-
Other income	25,50,791	-
Total Revenue	578,696,483	-
Total expenses	472,714,301	-
Profit / (loss) Before Depreciation, Amortization and Taxation	11,29,42,901	-
Less: Depreciation and Amortization expense	6,960,719	-
Profit / (Loss) before Taxation	105,982,182	-
Provision for taxation - For Current Tax	27,000,000	-
Provision for taxation - For Deferred Tax	-	-
Provision for earlier tax	-	-
Net Profit / (Loss) after Taxation	78,982,182	-

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE DATE OF FINANCIAL STATEMENT AND THE BOARD REPORT:

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

DIVIDEND AND TRANSFER TO RESERVES:

In order to conserve the resources, your directors do not recommend any dividend on equity shares. Further during the year, the Company has not transferred any amount to Reserves. However, after closure of the year the Company has apportioned amount of Rs.10,53,09,000/- from reserve & Surplus (including securities premium) for issue of 1,05,30,900 Bonus shares.

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CHANGE IN NATURE OF BUSINESS:

Your Company continues to operate in same business segment as that of previous year and there is no change in the nature of the business.

DIRECTORS / KEY MANAGERIAL PERSONNEL:

During the year, there has been no change in Director and Key Managerial Personnel. However, during the year the Company has changed the designation of its Executive Directors Mr. Vipul Bhatt as Managing Director, Mr. Jay Bhatt & Mrs. Sangeeta Vipul Bhatt as Whole Time Director w.e.f. February 15, 2022.

After closure of the year:-

- The Board of Directors has appointed Mr. Hetalkumar Jayantilal Shah & Mr. Deepakkumar Kushalchandra Chaubisa as Non – Executive Independent Director of the Company w.e.f. June 03, 2022. Their appointment for a term of five years has been recommended by the Board of Directors of the Company at the ensuing Annual General Meeting.
- Designation of Mr. Vipul Bhatt was changed from Managing Director to Chairman & Managing Director w.e.f. June 28, 2022.
- Ms. Ketki Oza was appointed as Chief Financial Officer & Key Managerial Personnel of the Company w.e.f. June 03, 2022.
- Ms. Puja Paras Mehta was appointed as Company Secretary & Key Managerial Personnel of the Company w.e.f. June 28, 2022.

REGISTERED OFFICE:

During the year, the Company has shifted its registered Office from 308, Shalin Complex, Krishnabaug, Maninagar, Ahmedabad – 380008 to B-406, Mondeal Heights, Opp. Karnavati Club, S.G. Highway, Ahmedabad – 380015 w.e.f. February 14, 2022.

CONVERSION OF LLP INTO PUBLIC LIMITED COMPANY:

The Company was incorporated by converting VITAL CHEMTECH LIMITED LIABILITY PARTNERSHIP (LLPIN: AAD-3570) in to Public Limited Company as on November 25, 2021. As a result, the name of the Company has changed from Vital Chemtech Limited Liability Partnership to Vital Chemtech Limited.

SHARE CAPITAL:

The Share Capital of the Company is as follows as on date of this report:

1. Authorized Capital
*Rs 25,00,00,000 /- divided into 2,50,00,000 Equity Shares of Rs. 10/- each.

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2. Issued, Subscribed and Paid Up Capital
Rs. **17,55,15,000/- divided into 1,75,51,500 Equity Shares of Rs. 10/- each.

*During the year, the company has increased its Authorised Share Capital from Rs 6,72,06,000/- (Rupees Six Crores Seventy Two Lakhs Six thousand Only) divided into 67,20,600 (Sixty Seven lakhs Twenty

Thousand Six Hundred Only) Equity Shares of Rs.10/- (Rupees ten Only) each to Rs.14,00,00,000/- (Rupees Fourteen Crores Only) divided into 1,40,00,000 (One Crore Forty lakhs Only) equity Shares of Rs. 10/-(Rupees Ten Only) each via Shareholders resolution passed at Extraordinary General meeting dated February 20, 2022.

After Closure of the year:-

1. *The Authorised Share Capital of the Company has been increased from Rs.14,00,00,000/- (Rupees Fourteen Crores Only) divided into 1,40,00,000 (One Crore Forty lakhs Only) equity Shares of Rs. 10/- each to Rs. 25,00,00,000/- (Twenty five Crores only) divided into 2,50,00,000 (Two Crore Fifty lakh Only) equity shares of Rs. 10/- each via Ordinary resolution passed by the shareholders of the Company on June 02, 2022.
2. **Board of Directors of the Company passed a resolution in the board meeting held on May 20, 2022 to offer, issue and allot 3,05,482 Equity Shares of the Company of face value of Rs. 10/- at an issue price of Rs. 100 each including premium of Rs. 90 per share aggregating to Rs. 3,05,48,200 /- (Rupees Three Crores five Lakhs forty eight thousand two hundred only) by way of Right issue to the existing shareholders in the ratio of 1 new Equity Share for each 22 existing Equity Shares. The company allotted 3,00,000 Equity Shares on in the board meeting held on May 28, 2022 pursuant to Right issue.
3. In the Extra ordinary General Meeting held on June 02, 2022 on recommendation of Board, the approval of the Members of the Company be and is hereby given for capitalization of amount of Rs. 10,53,09,000/- (Rupees Ten Crore Fifty Three Lakh Nine Thousand Only) out of the Securities Premium account and/or free reserves of the Company, be capitalized for issue and allotment of 1,05,30,900- (One Crore Five Lakhs Thirty Thousand and Nine Hundred Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each as Bonus Equity Share in the proportion of 3 (Three) new Equity Shares of Rs. 10/- (Rupees Ten Only) for each 2 (Two) existing fully paid-up equity share of Rs. 10/- (Rupees Ten Only) each to the existing shareholders of the company.

Further in the Board Meeting held on June 13, 2022, company has allotted 10530900 Bonus Equity share to the equity shareholders who holds equity shares of the company as on record off date in ratio of 3 for each 2 equity share held in the company.
4. The Board of Directors of the Company passed a resolution on June 28, 2022 accorded to create, offer, issue and allot equity shares of an aggregate number up to and not exceeding 64,00,000 (Sixty four Lakhs Only) Equity Shares at a price as may be decided by the Board of Directors in consultation with Book Running Lead Manager via Initial Public Offer. The Shareholders has accorded their consent for the said issue via Special Resolution passed on June 30, 2022 at their Extra Ordinary meeting.
5. The Company has filed its Draft Red herring Prospectus to the National Stock Exchange on July 29, 2022 and is in process of getting listed on emerge platform of National Stock Exchange.

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**DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 with respect to the Directors' responsibility Statement, the Directors confirm that:

- i. in the preparation of the annual Financial Statements, applicable accounting standards have been followed and that no material departures have been made for the same;
- ii. they have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. Company being not covered under section 178(1), sub clause (e) of section 134 (3) is not applicable.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF BOARD MEETINGS:

During the year under review, the Board of Directors duly met 3 times and the details of attendance of directors are as follows:

Date of Board Meetings	Name of Directors		
	Mr. Vipul Bhatt	Mr. Jay Bhatt	Mrs. Sangeeta Vipul Bhatt
01/12/2021	√	√	√
14/02/2022	√	√	√
15/02/2022	√	√	√
Total No. of Meetings held /attended	3/3	3/3	3/3

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INSURANCE:

The properties and assets of the Company are adequately insured.

DECLARATION BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the Independent Directors of the Company under Section 149 (6) of the Companies Act, 2013, the Board hereby confirms that the Independent Directors have given declarations and further confirms that they meet the criteria of Independence as per the provisions of Section 149(6).

CONTRACTS OR AGREEMENTS WITH RELATED PARTIES:

During the year under review, all transactions entered into with related parties during the financial year were in the ordinary course of business and on an arm's length basis. Details of contracts or arrangements with related parties referred to in 188 (1) has been attached with this report as Annexure – A.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:

The existing internal financial control is adequate and commensurate with the nature, size, complexity and the business processes followed the Company.

The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

RISK MANAGEMENT POLICY:

The Management is regularly reviewing the risk and is taking appropriate steps to mitigate the risk. The company has in place the Risk Management policy. The Risk management Policy is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to mitigate the risk in order to minimize the impact of the risk on the Business.

In the opinion of the Board there has been no identification of element of Risk that may threaten the existence of the Company.

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

Particulars of loans given, guarantees or security provided or investments made by the Company, if any during the year under review are as mentioned in the Notes forming part of the Financial Statements.

STATUTORY AUDITORS:

M/s. Abhishek Kumar & Associates, Chartered Accountants, (Firm Reg. no. 130052W), were appointed as the Statutory Auditors of the Company for a period of five years upto the Annual General Meeting to be held for the

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Financial year 2027. M/s. Abhishek Kumar & Associates, Chartered Accountants, (FRN: 130052W), were appointed as the Statutory Auditors of the Company by the Board on December 01, 2021 as First Statutory Auditors of the Company to hold office upto the conclusion of this First Annual General Meeting.

The Board has recommended appointment of M/s. Abhishek Kumar & Associates, Chartered Accountants, (FRN: 130052W), as statutory Auditor of the company to the members for a period of Five years from the conclusion of First Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year 2027.

AUDITORS' OBSERVATIONS:

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report on the Financial Statements of the Company for the financial year ended on 31st March, 2022.

Further, The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated hereunder:-

Conservation of Energy:

1. The steps taken or impact on conservation of energy:-

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

2. The steps taken by the company for utilizing alternate sources of energy.

The Company has not taken any step for utilizing alternate sources of energy.

3. The capital investment on energy conservation equipment's.

The Company has not made any capital investment on energy conservation equipment's.

Technology Absorption:

The Company has not carried out any research and development activities.

Foreign Exchange Earning and Outgo: (Rs. In Lakhs)

- Foreign Exchange Earnings: 1.Receipts in Foreign Currency: 2.40
2. FOB Value of Exports : 179.55
Total : **181.95**

- Foreign Exchange Expenditure: 1. Payments in Foreign Currency: 50.02
2. FOB Value of Imports : 3758.20
Total : **3808.22**

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SECRETARIAL STANDARDS:

The Board of Directors of the company confirms to the best of their knowledge and belief that the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time and made applicable by the Ministry of Corporate Affairs during the financial year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review there were no significant or material order passed by any regulatory authority, court or tribunal which shall affect the going concern status and Company' operation in future.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

During the year, there are no Subsidiaries/ Associates/ Joint Ventures in relation to the Company. However, after closure of the year, the Company has incorporated a wholly owned subsidiary Vital Synthesis Private Limited as on April 26, 2022.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company is committed to provide a safe and conducive work environment to its employees during the year under review.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

During the Financial Year 2021-22, there was no application made and proceeding initiated /pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company. As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016.

INDUSTRIAL RELATIONS:

The Company has maintained the cordial relations with the employees of the Company during the year under review.

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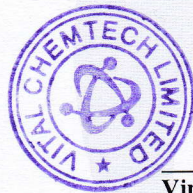
MAINTENANCE OF COST RECORDS:

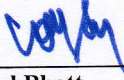
The Company is not required to maintain any cost records prescribed under section 148 of the Companies Act, 2013 and rules made thereunder.

ACKNOWLEDGEMENT:

Your Directors are thankful to Company's Employees and vendors for their continuous support. The Directors are also thankful to the Regulatory and Government authorities and bankers of the Company for their co-operation.

Date: 12/07/2022
Place: Ahmedabad




Vipul Bhatt
Chairman & Managing
Director
DIN: 06716658

BY ORDER OF THE BOARD,
FOR VITAL CHEMTECH LIMITED
CIN: U24299GJ2021PLC127538


Jay Bhatt
Wholetime Director
DIN: 09363173

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Annexure – A
FORM NO. AOC-2

PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

Forms for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to Section 134(3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

A. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements, or transactions entered in to by the Company during the financial year ended on March 31, 2022, which were not at arm's length basis.

B. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No	Name of Related Parties	Nature of Relation	Nature of Transaction with related parties	Duration of the Contracts/ Arrangements or transactions including the value, if any	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board	Amount paid as advances, if any
1.	Valentia Synthesis Private Limited	Associate Concern	Long Term borrowing	FY 2021-22	On Market Value 1504.76 Lakhs	December 01, 2021	NA
			Interest	FY 2021-22	On Market Value 1.82 Lakhs	December 01, 2021	NA
2.	Vital Chemicals	Associate Concern	Sales	FY 2021-22	On Market Value 69.35 Lakhs	December 01, 2021	NA
3.	Vital Chemicals	Associate Concern	Purchase	FY 2021-22	On Market Value 4.37 Lakhs	December 01, 2021	NA

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For and on behalf of Board of Directors

Vital Chemtech Limited

CIN: U24299GJ2021PLC127538

Place: Ahmedabad

Date: 12/07/2022





Vipul Bhatt
Chairman & Managing
Director
DIN: 06716658



Jay Bhatt
Wholetime
Director
DIN: 09363173

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of “VITAL CHEMTECH LIMITED” (the Company) having CIN: U24299GJ2021PLC127538. The Company was formerly known as “VITAL CHEMTECH LLP” LLPIN: AAD-3570 converted into “VITAL CHEMTECH LIMITED” dated November 25, 2021, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Financial Statements

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

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

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

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 can 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 judgement and maintain professional skepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of use of the going concern basis of accounting by the Management and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Financial Statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

“Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - 1) The Company does not have any pending litigations which would impact its financial position.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) The Company is not liable to transfer any amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
 - 4)
 - i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - 5) The Company has not declared any dividend for the financial year, therefore the provisions under section 123 of the Companies Act, 2013 are not applicable to the Company.

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

For, Abhishek Kumar & Associates
Chartered Accountants
FRN 130052W
Peer Review Certificate No: 011266

CA Abhishek Agrawal
Proprietor
M. No. 132305
UDIN: 22132305ANEKTF4420
Place: Ahmedabad
Date: 12th July, 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VITAL CHEMTECH LIMITED, the Company was formerly known as "VITAL CHEMTECH LLP" converted into VITAL CHEMTECH LIMITED dated November 25, 2021)

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

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

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

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

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

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

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

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

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

iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

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

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

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

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

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

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

vi. The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Cost Audit under clause (vi) of the Order has not been conducted by the Company till date of our Audit Report.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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

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

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

Particulars	Amount (Rs. In Lakhs)
From Banks	830.46
From Promoters, Directors/Related Party	2802.29

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

(c) According to the information and explanations given to us by the management, the Company has obtained term loans during the year. Accordingly, clause 3(ix)(c) of the Order is applicable, the term loans were prima facie applied for the purpose for which they were obtained. The Company has taken term loans from banks as below:

Particulars	Amount (Rs. In Lakhs)
SIDBI Term Loan	415.00

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

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

xx. The Company does not statutorily required to spend amount towards Corporate Social Responsibility (CSR) under Section 135. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

For, Abhishek Kumar & Associates
Chartered Accountants
FRN 130052W
Peer Review Certificate No: 011266

CA Abhishek Agrawal
Proprietor
M. No. 132305
UDIN: 22132305ANEKTF4420
Place: Ahmedabad
Date: 12th July, 2022

Annexure- A To Independent Auditor's Report

Report on the internal financial controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls over financial reporting of VITAL CHEMTECH LIMITED (the Company) as of March 31, 2022, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date. The Company was formerly known as "VITAL CHEMTECH LLP" converted into VITAL CHEMTECH LIMITED dated November 25, 2021. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Control

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of

internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

The internal financial control over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with the Generally Accepted Accounting Principles. Internal financial control over financial reporting of a Company includes those policies and procedures that

- i) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with the Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
- iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that can have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Control over Financial Reporting

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

For, Abhishek Kumar & Associates
Chartered Accountants
FRN 130052W
Peer Review Certificate No: 011266

CA Abhishek Agrawal
Proprietor
M. No. 132305
UDIN: 22132305ANEKTF4420
Place: Ahmedabad
Date: 12th July, 2022

VITAL CHEMTECH LIMITED
CIN:U24299GJ2021PLC127538
(Formerly known as Vital Chemtech LLP)
Balance Sheet as at 31st March,2022

Particulars		Note No.	As at 31 March 2022	As at 31 March 2021
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a)	Share capital	1	67,206,000	-
(b)	Reserves and surplus	2	78,982,182	-
			146,188,182	-
2 Non-current liabilities				
(a)	Long-term borrowings	3	222,379,638	-
(b)	Deferred tax liability (Net)		-	-
			222,379,638	-
3 Current liabilities				
(a)	Short term borrowing	4	140,894,640	-
(b)	Trade payables	5	274,154,515	-
(c)	Short-term provisions	6	27,660,371	-
(d)	Other Current Liabilities	7	1,258,983	-
			443,968,509	-
Total			812,536,329	-
II. ASSETS				
1 Non-current assets				
(a)	Property, Plant and Equipment - Tangible Assets	8	173,786,297	-
(b)	Non-Current Investments	9	88,034,612	-
(c)	Long Term Loans and Advances	10	1,810,306	-
(d)	Other Non Current Assets	11	567,916	-
			264,199,131	-
2 Current assets				
(a)	Inventories	12	90,546,728	-
(b)	Trade receivables	13	417,300,412	-
(c)	Cash and cash equivalents	14	3,913,780	-
(d)	Short-term loans and advances	15	36,576,278	-
			548,337,198	-
Total			812,536,329	-

Significant Accounting Policies

Notes on Financial Statements

Accompanying Notes form an integral part of the financial statements 23

As per our Report of Even Date

For, Abhishek Kumar & Associates

Chartered Accountants

FRN: 130052W

For & on behalf of Board of Directors

Vital Chemtech Limited

VIPUL BHATT

CHAIRMAN AND MANAGING DIRECTOR

DIN: 06716658

CA ABHISHEK AGARWAL

Proprietor

Membership No. 132305

UDIN : 22132305ANEKTF4420

Date : 12th July, 2022

Place : Ahmedabad

SANGEETA VIPUL BHATT

WHOLE TIME DIRECTOR

DIN: 06716704

VITAL CHEMTECH LIMITED
CIN: U24299GJ2021PLC127538
(Formerly Known as Vital Chemtech LLP)
Statement of Profit and Loss for the year ended 31st March, 2022

Particulars	Note No.	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Revenue from operations	16	576,145,692	-
Other income	17	2,550,791	-
Total Revenue		578,696,483	-
Expenses:			
Cost of materials consumed	18	381,061,964	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19	(3,360,995)	-
Finance costs	20	4,840,848	-
Employee benefits expense	21	12,889,472	-
Depreciation and amortization expense	8	6,960,719	-
Other expenses	22	70,322,293	-
Total expenses		472,714,301	-
Profit/ (Loss) Before Tax		105,982,182	-
Tax expense:			
(1) Current tax		27,000,000	-
(2) Deferred tax		-	-
(3) Tax for earlier years		-	-
Profit/ (Loss) After Tax		78,982,182	-
Earnings per equity share:			
Basic and Diluted		11.75	-
		11.75	-

Significant Accounting Policies

Notes on Financial Statements

Accompanying Notes form an integral part of the financial statements 23

As per our Report of Even Date

For, Abhishek Kumar & Associates
Chartered Accountants
FRN: 130052W

For & on behalf of Board of Directors
Vital Chemtech Limited

VIPUL BHATT
CHAIRMAN AND MANAGING DIRECTOR
DIN: 06716658

CA ABHISHEK AGARWAL
Proprietor
Membership No. 132305
UDIN : 22132305ANEKTF4420
Date : 12th July, 2022
Place : Ahmedabad

SANGEETA VIPUL BHATT
WHOLE TIME DIRECTOR
DIN: 06716704

VITAL CHEMTECH LIMITED
CIN: U24299GJ2021PLC127538
(Formerly Known as Vital Chemtech LLP)
Cash Flow Statement for the year ended 31st March, 2022

Particulars	For the Year ended 31 March 2022	For the Year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	105,982,182	-
Adjustments for:		
Depreciation	6,960,719	-
Finance Cost	4,840,848	-
Interest Income	(524,878)	-
Operating profit before working capital changes	117,258,871	-
Movements in working capital :		
(Increase)/Decrease in Reserves	-	-
(Increase)/Decrease in Inventories	(39,452,434)	-
(Increase)/Decrease in Trade Receivables	(149,548,332)	-
(Increase)/Decrease in Loans & Advances	7,807,400	-
(Increase)/Decrease in Other Current Assets	-	-
Increase/(Decrease) in Trade Payables	(27,061,359)	-
Increase/(Decrease) in Other Current Liabilities	1,165,190	-
Increase/(Decrease) in Long Term Provisions	-	-
Increase/(Decrease) in Short Term Provisions	(15,333,583)	-
Cash generated from operations	(105,164,247)	-
Adjustment on Account of Income Tax Expense	(27,000,000)	-
Net cash from operating activities (A)	(132,164,247)	-
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Investments	40,894,591	-
(Increase)/Decrease in Long Term Loans & Advances	(1,810,306)	-
Interest Income	524,878	-
Sale/(Purchase) of Fixed Assets	(87,076,051)	-
(Increase)/Decrease in Other Non Current Assets	(567,916)	-
Net cash from investing activities (B)	(48,034,804)	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest/Other expenses paid on Borrowings	(4,840,848)	-
Proceeds/(Repayment) of Long Term Borrowings	40,865,363	-
Increase/(Decrease) in Short Term Borrowings	145,771,736	-
Increase/(Decrease) in Partner's Capital	-	-
Net cash from financing activities (C)	181,796,251	-
Net increase in cash and cash equivalents (A+B+C)	1,597,200	-
Cash and cash equivalents at the beginning of the year	2,316,580	-
Cash and cash equivalents at the end of the year	3,913,780	-

Significant Accounting Policies

Notes on Financial Statements

Accompanying Notes form an integral part of the financial statements 23

As per our Report of Even Date

For, Abhishek Kumar & Associates
Chartered Accountants
FRN: 130052W

For & on behalf of Board of Directors
Vital Chemtech Limited

VIPUL BHATT
CHAIRMAN AND MANAGING DIRECTOR
DIN: 06716658

CA ABHISHEK AGARWAL
Proprietor
Membership No. 132305
UDIN : 22132305ANEKTF4420
Date : 12th July, 2022
Place : Ahmedabad

SANGEETA VIPUL BHATT
WHOLE TIME DIRECTOR
DIN: 06716704

VITAL CHEMTECH LIMITED
CIN: U24299GJ2021PLC127538
(Formerly Known as Vital Chemtech LLP)
Notes Forming Part of Balance Sheet as at 31st March, 2022

NOTE 1

SHARE CAPITAL	As at 31 March 2022 (Amount in INR)	As at 31 March 2021 (Amount in INR)
Authorised 1,40,00,000 Equity Shares of Rs.10 each	140,000,000	-
Issued,Subscribed & Paid up 67,20,600 Equity Shares of Rs.10 each	67,206,000	-
Total	67,206,000	-

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

Particulars	As at 31 March 2022 (Amount in INR)		As at 31 March 2021	
	Number	(Amount in INR)	Number	(Amount in INR)
Equity Shares outstanding at the beginning of the year	-	-	-	-
Equity Shares Issued during the year	6,720,600	67,206,000	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	6,720,600	67,206,000	-	-

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

Equity Shares

SR NO	Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Vipul J. Bhatt	5,040,000	74.93%	0	0.00%
2	Sangeeta Vipul Bhatt	1,680,000	24.98%	0	0.00%
	Total	6,720,000	99.91%		

NOTE 2

RESERVES & SURPLUS	As at 31 March 2022 (Amount in INR)	As at 31 March 2021 (Amount in INR)
Reserve & Surplus		
Opening balance	-	-
(+) (Net loss)/Profit for the year	78,982,182	-
(+) Transfer to Reserves		
Closing Balance	78,982,182	-
Total	78,982,182	-

NOTE 3

LONG TERM BORROWINGS	As at 31 March 2022 (Amount in INR)	As at 31 March 2021 (Amount in INR)
Secured Loans		
From Banks		
ICICI Bank - Car Loan (Secured against hypothecation of Mercedez Benz Car Ownership of this vehicles is in name of promoter)	2,476,192	-
SIDBI Term Loan	35,523,050	-
BMW Financial Services (Secured against hypothecation of BMW Car Ownership of this vehicles is in name of promoter)	4,580,917	-
Unsecured Loans		
From Promoters, Directors/Related party		
Vipul J. Bhatt	121,617,151	-
Sangeeta Vipul Bhatt	39,009,108	-
Jay Bhatt	13,250,000	-
Vipul J Bhatt - HUF	5,923,220	-
Total	222,379,638	-

NOTE 4

SHORT TERM BORROWINGS	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Unsecured Loans		
From Banks		
Axis Bank - Cash Credit Account (Primary Security by way of hypothecation over entire current asset of the company: Present and Future)	40,465,599	-
From Promoters, Directors/Related party		
Valentia Synthesis Pvt Ltd	100,429,041	-
Total	140,894,640	-

NOTE 5

TRADE PAYABLES	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
MSME	26,437,659	-
Due for a period > 180 Days	830,587	
Due for a period 90 to 180 Days	1,805,320	
Due for a period 60 to 90 Days	2,581,564	
Due for a period 30 to 60 Days	11,909,306	
Due for a period < 30 Days	9,310,882	
Other	247,716,856	-
Due for a period > 180 Days	6,889,851	
Due for a period 90 to 180 Days	85,596,533	
Due for a period 60 to 90 Days	1,151,610	
Due for a period 30 to 60 Days	2,752,699	
Due for a period < 30 Days	151,326,163	
Total	274,154,515	-

NOTE 6

SHORT TERM PROVISIONS	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Provision for Income Tax	27,000,000	-
Gratuity Provisions	660,371	-
Total	27,660,371	-

NOTE 7

OTHER CURRENT LIABILITIES	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
TDS Payable	1,089,501	-
Other Payables	169,482	-
Total	1,258,983	-

NOTE 9

NON-CURRENT INVESTMENTS	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
SBI Corporate Bond Fund	28,513,000	-
SBI Overnight Fund	1,000,000	-
Axis Bank FDR	58,484,338	-
UBI Bank FDR	37,274	-
Total	88,034,612	-

NOTE 10

LONG TERM LOANS & ADVANCES	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
CST Deposit	10,000	-
Sarvam Petroleum Deposit	25,000	-
DGVCL Deposit	1,599,351	-
VAT Deposit	10,000	-
Kalpsar Resort Security Deposit	22,000	-
CDSL Security Deposit	45,000	-
NSDL Security Deposit	45,000	-
Tender EMD Deposit	53,955	-
Total	1,810,306	-

NOTE 11

OTHER NON CURRENT ASSETS	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Preliminary Expenses	567,916	-
Total	567,916	-

NOTE 12

INVENTORIES	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Raw Materials	57,451,096	-
Stock-in-progress	9,020,322	-
Finished goods	13,114,382	-
Consumable Stores	2,023,286	-
Packing Materials	8,937,642	-
Total	90,546,728	-

NOTE 13

TRADE RECEIVABLES (Unsecured and Considered Good)	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Outstanding for a period exceeding 6 months		
Outstanding for a period > 180 Days	9,969,990	-
Other		
Outstanding for a period 90 to 180 Days	38,187,542	-
Outstanding for a period 60 to 90 Days	80,298,078	-
Outstanding for a period 30 to 60 Days	136,778,468	-
Outstanding for a period < 30 Days	152,066,334	-
Total	417,300,412	-

NOTE 14

CASH AND BANK BALANCES	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Cash & Cash Equivalents		
Cash on hand	3,845,916	-
Bank Balances		
In Current Accounts	67,864	-
Total	3,913,780	-

NOTE 15

SHORT TERM LOANS AND ADVANCES	As at	As at
	31 March 2022	31 March 2021
	(Amount in INR)	(Amount in INR)
Advance Income Tax	20,000,000	-
TDS Receivable	325,595	-
GST Receivable	8,621,643	-
Advances to Workers	722,500	-
Marine Insurance -Prepaid Expenses	87,422	-
Advance to Trade Payables		
MSME	225,000	-
Others	6,594,118	-
Total	36,576,278	-

NOTE 8

Fixed Assets	Gross Block				Accumulated Depreciation					Net Block
	Acquired through business combinations	Additions/ (Disposals)	Revaluations/ (Impairments)	As at 31st March 2022	As at 25th November 2021	Depreciation charge for the year till 31st march 2022	Adjustments	On disposals	As at 31st March 2022	As at 31st March 2022
Land	14,970,008	50,000,000		64,970,008	-	-		-	-	64,970,008
Buildings	24,616,745	1,916,360		26,533,105		885,449			885,449	25,647,657
Automation and Instruments	3,620,446	-		3,620,446		238,697			238,697	3,381,749
Computer and Systems	816,578	126,186		942,764		264,460			264,460	678,304
Electricals, Pipes-Valves and Pumps	5,944,342	7,327,823		13,272,165		929,674			929,674	12,342,491
Fire Hydrant Systems	1,344,145	-		1,344,145		92,279			92,279	1,251,866
Furnitures and Fixtures	682,524	184,180		866,704		74,228			74,228	792,476
Instruments	483,330	813,200		1,296,530		48,274			48,274	1,248,256
Laboratory Equipments	96,209	-		96,209		10,462			10,462	85,747
Machineries and Equipments	23,159,848	21,455,202		44,615,050		2,374,961			2,374,961	42,240,089
Utilities	6,392,066	5,253,100		11,645,166		602,683			602,683	11,042,483
Vehicles	11,544,724	-		11,544,724		1,439,553			1,439,553	10,105,171
TOTAL	93,670,965	87,076,051	-	180,747,016	-	6,960,719	-	-	6,960,719	173,786,297

VITAL CHEMTECH LIMITED
CIN: U24299GJ2021PLC127538
(Formerly Known as Vital Chemtech LLP)
Notes Forming Part of Statement of Profit and Loss for the year ended
31st March, 2022

NOTE 16

REVENUE FROM OPERATION	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	(Amount in INR)	(Amount in INR)
Sale of products	575,164,015	-
Other Operating revenue		
Lifting Charges	981,677	-
Total	576,145,692	-

NOTE 17

OTHER INCOME	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	(Amount in INR)	(Amount in INR)
Interest Income - Term Deposit	325,706	-
Interest Income - Mutual Fund	159,902	-
Interest Income - DGVCL	39,270	-
Kasar & vatav Income	719,110	-
Exchange Rate Fluctuations	1,306,803	-
Total	2,550,791	-

NOTE 18

COST OF MATERIAL CONSUMED	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	(Amount in INR)	(Amount in INR)
Opening Stock of Raw Material	21,359,660	-
Add: Purchases During the Year	417,153,400	-
Less: Closing Stock of Raw Material	57,451,096	-
Total	381,061,964	-

NOTE 19

CHANGES IN INVENTORIES OF FINISHED GOODS, WORKI IN PROGRESS AND STOCK-IN-TRADE	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	(Amount in INR)	(Amount in INR)
Closing Inventories		
Finished goods	13,114,382	-
Work in progress	9,020,322	-
Consumable Stores	2,023,286	-
Packing Materials	8,937,642	-
Sub Total (A)	33,095,632	-
Opening Inventories		
Finished goods	14,741,765	-
Work in progress	10,853,916	-
Consumable Stores	2,762,162	-
Packing Materials	1,376,794	-
Sub Total (B)	29,734,637	-
Total (A-B)	(3,360,995)	-

NOTE 20

FINANCE COST	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	(Amount in INR)	(Amount in INR)
Bank Charges	126,106	-
Bank Charges-Import	883,925	-
Bank OD Interest Expense	486,643	-
Interest Expenses	1,204,827	-
Loan Processing Charges	2,139,347	-
Total	4,840,848	-

NOTE 21

EMPLOYEE BENEFITS EXPENSE	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	(Amount in INR)	(Amount in INR)
Salaries, Wages and Incentives	5,373,183	-
Provident Fund	164,729	-
Staff Welfare Expenses	691,189	-
Gratuity Expenses	275,779	-
Gratuity Expenses -Prior Period	384,592	-
Director Remuneration	6,000,000	-
Total	12,889,472	-

NOTE 22

OTHER EXPENSES		Year Ended 31st March, 2022	Year Ended 31st March, 2021
		(Amount in INR)	(Amount in INR)
Manufacturing Expenses			
	Power & Fuel	3,454,019	-
	Labour Charges	1,373,567	-
	Consumables Spares	2,427,626	-
	Import Expenses	1,962,935	-
	Freight Expenses	1,970,001	-
	Factory Expenses	21,275,171	-
	Repairing & Maintainance Expenses	14,019,294	-
Sub Total (A)		46,482,613	-
Administartive Selling & General Expenses			
	Audit fees	500,000	-
	Advertisement Expenses	129,600	-
	Consumables Expenses	1,047,885	-
	Donation Expenses	25,000	-
	Exhibition Expenses	19,000	-
	Power & Fuel Expenses - Indirect	236,733	-
	Export Expenses	87,560	-
	Freight Expenses	6,257,451	-
	Insurance Expenses	1,934,765	-
	Legal & professional Charges	3,835,009	-
	Loading Unloading Charges	348,577	-
	Packing Material Expenses	553,057	-
	Registration & membership fees	1,919,592	-
	Office Expenses	16,119	-
	Repairs & Maintenance Expenses	147,135	-
	Rent Expenses	299,666	-
	Sales Promotional Expenses	5,799,764	-
	Plant Security Expenses	338,218	-
	Traveling Expenses	175,716	-
	Printing & Stationery Expenses	85,554	-
	Postage & Courier Expenses	50,381	-
	Telephone Expenses	32,898	-
Sub Total (B)		23,839,680	-
Total(A+B)		70,322,293	-
SR No	AUDIT FEES	Year Ended 31st March, 2022 (Amount in INR)	Year Ended 31st March, 2021 (Amount in INR)
	<u>Payments to the auditor as</u>		
1	auditor,	500,000	-
2	for taxation matters,		
3	for company law matters,		
4	for management services,		
5	for stock audit charges		
6	for other services,		
7	for reimbursement of expenses;		
Total		500,000	-

**CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND
NOTES TO ACCOUNTS AS ON 31st MARCH, 2022**

NOTE 23:

A. COMPANY INFORMATION

Our Company was originally incorporated as a private limited company on November 11, 2013, as 'Rudra Chemtech Private Limited', under the provisions of the Companies Act, 1956. Subsequently, Our Company was converted to Limited Liability Partnership Firm as 'Rudra Chemtech Limited Liability Partnership' having duly passed the necessary resolution in terms of Rule 20(1) of the LLP Rules, 2009 on February 12, 2015, under the LLP Act, 2008. Thereafter, on February 20, 2015, name was changed to 'Vital Chemtech Limited Liability Partnership' pursuant to Rule 20(3) of the LLP Rules, 2009. Later on, our Limited Liability Partnership was converted to Public Limited Company under section 366 Part I chapter XXI of the Companies Act, 2013 as 'Vital Chemtech Limited' and fresh Certificate of Incorporation consequent upon Conversion from Limited Liability Partnership to Public Limited Company dated November 25, 2021, was issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The Corporate Identification Number (CIN) of the Company is U24299GJ2021PLC127538 and the Permanent Account Number (PAN) of the Company is AAICV4201F.

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

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statement is prepared under the historical cost convention on the "Accrual Concept" and Going Concern assumptions of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/ materialized.

3. Property, Plant and Equipment

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

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

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

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

4. Impairment of Assets

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

5. Depreciation

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

6. Investments

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

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

7. Inventories

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

8. Revenue Recognition

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned, no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

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

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

9. Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

10. Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

11. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

12. Foreign Currency Transaction

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

13. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

B. NOTES ON ACCOUNTS

1. Amounts are in lakhs except units are in actual numbers wherever required considered accordingly for respective computations.
2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
3. The Company has been converted from Limited Liability Partnership to Public Limited Company as on November 25, 2021, hence the financial figures for financial year ended on March 31, 2021 are not applicable to the company.

4. Segment Reporting

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

5. Post Employment Benefits:

The Company has valued its obligations related to Gratuity as follows:

(Rs. in lakhs except units are in actual numbers)

I. ASSUMPTIONS	For the Period Ended on March 31, 2022
Discount Rate	6.8%
Expected Rate of Salary Increase	6%
Attrition Rate	5% to 1%
Mortality Rate	IALM (2012-14) ULT
Retirement	60 Years

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS	For the Period Ended on March 31, 2022
Defined Benefit Obligation at beginning of the year	3.85
Current Service Cost	2.49
Interest cost	0.26
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	0.006
Defined Benefit Obligation as at end of the year	6.60
III.AMOUNT RECOGNIZED IN THE BALANCE SHEET:	For the Period Ended on March 31, 2022
Net liability as at beginning of the year	3.85
Net expense recognized in the Statement of Profit and Loss	2.75
Expected Return on Plan Assets	
Net liability as at end of the year	6.60
IV.EXPENSE RECOGNIZED:	For the Period Ended on March 31, 2022
Current Service Cost	2.49
Interest Cost	0.26
Return on Plan Assets	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	0.006
Expense charged to the Statement of Profit and Loss	2.75
V. BALANCE SHEET RECONCILIATION:	For the Period Ended on March 31, 2022
Opening net liability	3.85
Expense as above	2.75
Provision Related to Previous Year booked as Prior Period Items	
Return on Plan Assets	
Benefits Paid	
Net liability/(asset) recognized in the balance sheet	6.60

6. Foreign Currency Transaction (AS 11)

Foreign currency transaction includes Import and Export as per Accounting Standard – 11 as at the end of the year/period is reported as under.

	(Rs. in Lakhs)
Particulars	For the Period Ended on March 31, 2022
Foreign Exchange Earnings	
Sales	
Receipts in Foreign Currency	2.40
FOB Value of Exports	179.55
Foreign Exchange Outgoings	
Purchase	
Payments in Foreign Currency	50.02
CIF Value of Imports	3758.20

7. **Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on March 31, 2022.

8. **Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended.

Annexure - I

Name of Relate Parties and description of relationship

Sr. No.	Name of Related Parties
	Key Management Personnel's / Related Party
1.	Vipul Bhatt : Managing Director
2.	Sangeeta Vipul Bhatt : Wholetime Director (Spouse)
3.	Jay Bhatt : Wholetime Director (Son)
4.	Keyaa Vipul Bhatt (Daughter)
5.	Late Jatashankar Ambalal Bhatt (Father)
6.	Kumudben Jatashankar Bhatt (Mother)
7.	Hitesh Jatashankar Bhatt (Brother)
8.	Chhaya Akshay Pandya (Sister)
9.	Ketki Dilip Pandya (Sister)
10.	Harshadrai Pranlal Trivedi (Spouse's Father)
11.	Ushaben Pranlal Trivedi (Spouse's Mother)
12.	Kirti Harshadrai Trivedi (Spouse's Brother)
	Associate Concerns
1.	Vital Chemicals (Proprietor: Vipul Bhatt)
2.	Vital Alkoxides Private Limited
3.	Vital Wellness Private Limited
4.	Valentia Synthesis Private Limited
5.	Neo Fine Chemical Industries
6.	Vital Dye Chem Industries (Vipul Bhatt - HUF)
7.	Ambica Packaging Industries (Proprietor: Hitesh Bhatt)
8.	Jay Innovative Solution (Proprietor: Jay Bhatt)
9.	Shakti Enterprise (Proprietor: Sangeeta Bhatt)
10.	Vipul Jatashankar Bhatt - HUF (Karta: Vipul Bhatt)
	Subsidiary Company
1.	Vital Synthesis Private Limited (Incorporated on April 26, 2022)

(Rs in Lakhs)

Sr. No.	Nature of Transaction	Name of Related Parties	For the Period Ended on March 31, 2022
I	Directors Remuneration		
		Vipul Bhatt	28.00
		Sangeeta Vipul Bhatt	12.00
		Jay Vipul Bhatt	20.00
II	Loan Received (Paid) during the Year to Related Parties		
		Vipul Bhatt	
		Opening Balance	1227.33
		Loan Received during the year	282.39
		Loan Paid during the year	(293.55)
		Closing Balance	1216.17

		Sangeeta Vipul Bhatt	
		Opening Balance	451.98
		Loan Received during the year	148.41
		Loan Paid during the year	(210.30)
		Closing Balance	390.09
		Jay Vipul Bhatt	
		Opening Balance	-
		Loan Received during the year	137.50
		Loan Paid during the year	(5.00)
		Closing Balance	132.50
		Vipul Bhatt HUF	
		Opening Balance	60.39
		Loan Received during the year	1.83
		Loan Paid during the year	(2.98)
		Closing Balance	59.23
		Valentia Synthesis Private Limited	
		Opening Balance	-
		Loan Received during the year	1504.76
		Loan Paid during the year	(500.47)
		Closing Balance	1004.29
III	Interest Paid		
		Vipul Jatashankar Bhatt - HUF	4.76
		Valentia Synthesis Private Limited	1.82
IV	Sales		
		Vital Chemicals	69.35
V	Purchase		
		Vital Chemicals	4.37

9. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period has determined and reported, if required.

10. Trade Payable Ageing Summary

31.03.2022

(Rs in Lakhs)

Particulars	Outstanding for following periods from due date of payment / Invoice date					Total
	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	>180 Days	
(i) MSME	93.10	119.09	25.81	18.05	8.30	264.35
(ii) Others	1513.26	27.52	11.51	855.96	68.89	2477.16

11. Trade Receivable Ageing Summary

31.03.2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of receipts / Invoice date					Total
	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	>180 Days	
(i) From Directors/ Relatives/ Associates	-	-	-	-	-	-
(ii) Others	1520.66	1367.78	802.98	381.87	99.70	4173.00

12. Accounting for Preliminary Expenses (AS 26)

Preliminary Expenses in view of Accounting Standard – 26 to be write off wholly as at the end of the year/period, the Company has only written-off 20% of total preliminary expenses, during the year as reported.

13. Accounting Ratios:

S. No.	Particulars	March 31, 2022
(a)	Current Ratio	1.24
(b)	Debt-Equity Ratio	2.48
(c)	Debt Service Coverage Ratio	12.32
(d)	Return on Equity Ratio (in %)	108.06%
(e)	Inventory Turnover Ratio (in times)	8.34
(f)	Trade Receivables Turnover Ratio (in times)	2.76
(g)	Trade Payables Turnover Ratio (in times)	3.04
(h)	Net Capital Turnover Ratio (in times)	3.13
(i)	Net Profit Ratio (in %)	13.71%
(j)	Return on Capital Employed (in %)	58.16%
(k)	Return on Investment (in %)	42.86%

Particulars	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Debt	Equity
Debt Service Coverage Ratio	Earnings available for Debt Services	Total Debt Service
Return on Equity Ratio	Profit After Tax	Average Shareholder's Fund
Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory
Trade Receivables turnover ratio (in times)	Revenue from Operation	Average Trade Receivables
Trade payables turnover ratio (in times)	Purchases	Average Trade Payables
Net capital turnover ratio (in times)	Revenue from Operation	Average Capital Employed
Net profit ratio	Net Profit After Tax	Revenue from Operation
Return on Capital employed	Earning before Interest and Taxes	Average Capital Employed
Return on investment.	Net Profit After Tax	Average Capital Employed

For, Abhishek Kumar & Associates
Chartered Accountants
FRN: 130052W

CA ABHISHEK AGARWAL
Proprietor
Membership No. 132305
UDIN : 22132305ANEKTF4420
Date : 12th July, 2022
Place : Ahmedabad

For & on behalf of Board of Directors
Vital Chemtech Limited

VIPUL BHATT
CHAIRMAN AND MANAGING DIRECTOR
DIN: 06716658

SANGEETA VIPUL BHATT
WHOLE TIME DIRECTOR
DIN: 06716704