

SAPTAK CHEM AND BUSINESS LIMITED

Regd. Office: 201 Chiranjiv Complex Mahalaxmi Five Road, Paldi, Ahmedabad-380007

Contact No.: + 917976835065 Website: www.saptakchem.com

Email id: munakchem1980@gmail.com CIN: L24299GJ1980PLC101976

04th June, 2024

To,
The Department of Corporate Services
BSE Limited
Ground Floor, P. J. Tower
Dalal Street,
Mumbai – 400 001

Ref: Scrip Code: 506906

Sub.: Submission of Notice of 45th Annual General Meeting (“AGM”) of the Company.

Dear Sir/Madam,

This is with reference to the above-mentioned subject and in terms of applicable regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, we are enclosing herewith a copy of Notice of 45th Annual General Meeting (“AGM”) of the Company scheduled to be held on Thursday, June 27, 2024 at 11:30 A.M. (IST) through Video Conferencing (VC).

Kindly take the same on your records and acknowledge the receipt thereof.

Thanking You,

For Saptak Chem and Business Limited



Rohitkumar Parikh
Managing Director
DIN: 07394964

Encl.: as above

Annual Report

2023-24

SAPTAK CHEM AND BUSINESS LIMITED

Regd. Office: 201 Chiranjiv Complex Mahalaxmi Five Road Paldi, Ahmadabad-380007, Gujarat

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Rohitkumar Parikh Managing Director Mr. Manthan Bhavsar Managing Director Mr. Chirag Nanavati Independent Director Ms. Bhoomiben Patel Independent Director Mrs. Sonal Gandhi Independent Director
CHIEF FINANCIAL OFFICER	Mr. Ganesh Thakur
COMPLIANCE OFFICER	Mrs. Meera Panchal
SECRETARIAL AUDITOR	Mrs. Rupal Patel, Practicing Company Secretary
STATUTORY AUDITORS	M/s. Aniket Goyal, Chartered Accountants, Ahmedabad
REGISTRARS AND SHARE TRANSFER AGENTS	M/s. MCS Share Transfer Agent Limited Add. 01 - 12/1/5, Manohar Pukur Road, Kolkata-700033 Add. 02- 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009 Tele. No.: 033-40724051, 079 26582878 Fax No.: 033-40724050 E-mail: mcssta@rediffmail.com , mcsahmd@gmail.com
REGISTERED OFFICE	201 Chiranjiv Complex, Mahalaxmi Five Road, Paldi, Ahmadabad City, Gujarat, India, 380007 Email Id: munakchem1980@gmail.com Website: www.saptakchem.com
CIN	L24299GJ1980PLC101976
BSE SCRIP CODE	506906
ISIN	INE467X01015

INDEX

S.N.	Content	Page No
1	Notice with Annexures	1-36
2	Director's Report	37-47
3	Secretarial Auditors Report	48-51
4	Management Discussion and Analysis Report	52-53
5	Corporate Governance Report	54-73
5	Particulars of Employee	74-74
6	Independent Auditors' Report	75-85
7	Balance Sheet	86-86
8	Profit & Loss Account	87-87
9	Cash Flow Statement	91-91
10	Notes on Accounts	92-110

NOTICE 45TH ANNUAL GENERAL MEETING
(Pursuant to Section 101 of the Companies Act, 2013)

NOTICE is hereby given that the 45th (Forty-Fifth) Annual General Meeting (“AGM”) of the Members of **Saptak Chem and Business Limited** will be held on **Thursday, June 27, 2024 at 11:30 A.M. (IST)** through **Video Conferencing (VC)** to transact the following business:

ORDINARY BUSINESS:

1. **Consideration and Adoption of the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon**

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

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors and Auditor thereon, as circulated to the members, be and are hereby considered and adopted.”

2. **Re-appointment of Mr. Manthan Bhavsar (DIN: 05208214) as a Managing Director (Executive), who retires by rotation and being eligible, offers himself for re-appointment.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, Mr. Manthan Bhavsar (DIN: 05208214), Managing Director, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director (Executive) of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

3. **To appoint M/s. Meet Shah & Associates, Chartered Accountants, Ahmedabad as Statutory Auditors of the Company to hold office for a period of 3 (Three) consecutive financial years, from the conclusion of the 45th Annual General Meeting of the Company until the conclusion of the 48th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142, and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), M/s. Meet Shah & Associates., Chartered Accountants, Ahmedabad (Firm Registration No.: 169259) be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Aniket Goyal & Associates, Chartered Accountants, (Firm’s Registration No. 022331C), the retiring statutory auditors, to hold the office from the conclusion of the 45th Annual General Meeting until the conclusion of the 48th Annual General Meeting of the Company to be held in the year 2027 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

4. **To Consider and approve the Scheme of Capital Reduction of the Company**

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

“**RESOLVED THAT** pursuant to Section 66 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder (the “Act”) read with The National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”) and pursuant to Article 6 of the Articles of Association of the Company, Based on the report of Audit Committee and Independent Directors and No Objection letter dated May 2, 2024 issued by the office of BSE Limited and subject to the confirmation by the Hon’ble National Company Law Tribunal, Ahmedabad Bench (“**NCLT**” or “**Tribunal**”) and such other approvals, consents, permissions and sanctions as may be necessary, to be obtained from any government or statutory authority, consent of the Company, be and is hereby accorded to the Board of Directors to reduce the issued, subscribed and paid-up capital of the Company from Rs.10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each by cancelling and

extinguishing, 90% of the total issued, subscribed and paid-up equity share capital of the Company, comprising 96,59,045 (Ninety-Six Lakh Fifty-Nine Thousand Forty-Five) Equity Shares of Rs. 10/- (Rupees Ten) each held by the members of the Company.”

“RESOLVED FURTHER THAT the Company’s financial statement currently reflects Accumulated Losses (debit balance of Profit & Loss Account) to the tune of Rs.12,86,80,868 (Rupees Twelve Crores Eighty-Six Lakh Eighty Thousand Eight Hundred and Sixty-Eight Only) based on Audited Standalone financial Statements for the year ended March 31, 2023, the Accumulated Losses of Rs. 9,65,90,450 (Rupees Nine Crores Sixty-Five Lakh Ninety Thousand Four Hundred Fifty Only) is hereby written off.”

“RESOLVED FURTHER THAT upon Reduction, the issued, subscribed and paid-up capital of shall stand reduced from Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) (hereinafter referred to as “the New Equity Shares”) Equity Shares of Rs. 10/- (Rupees Ten Only) each by cancelling and extinguishing, 90% of the total issued, subscribed and paid-up equity share capital of the Company.”

“RESOLVED FURTHER THAT the company shall not be required to use the words “and reduced” as part of its name as there is neither any payment outgo nor it amount to extinguishing or reducing liability on its shares in respect of its share capital.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary steps and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its members in connection with and relating to the Capital Reduction, including any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the Capital Reduction, or to any modification thereof, and as the Board may in its absolute discretion deem and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, including but not limited to:

- a) Finalizing, amending and settling the draft scheme, application / petition, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;
- b) Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchange, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;
- c) Making such alterations and changes in the scheme, application to be made to NCLT, as may be expedient or necessary or satisfying the conditions / requirement imposed by NCLT, SEBI and/or any other statutory /regulatory authorities, as may be -required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.
- d) Signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before the NCLT and any other authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;
- e) To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 2013, and Rules made thereunder and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all correspondences, matters and proceedings and any nature whatsoever in relation to the above
- f) To engage any Lawyer, counsel, consultant firms, advisors, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favor of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.

- g) Incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- h) Make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in this resolution.
- i) Consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to concerned authorities on behalf of the Company.
- j) To file requisite forms with the Registrar of Companies in connection with the proposed reduction of share capital during and after the process of sanction thereof.
- k) Sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid.
- l) To accept services of notices or other Processes which may from time to time be issued in connection with the matter aforesaid:
- m) To do all such acts and things and deal with all such matters and take all steps as may be necessary including any modification, if required, and do all such other acts, matters, deeds and things necessary, proper or desirable in connection with or incidental to giving effect to the purposes of this Resolution.
- n) To give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected therewith or incidental thereto.

“RESOLVED FURTHER THAT in connection with the proposed reduction of share capital, the Company be and is hereby records that:

- a) No investigations or proceedings have been instituted and are pending against the Company under the Act.
- b) The Company has not accepted any deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, the Company is not in arrears with respect to repayment of any deposits or interest thereon, as on the date of filing of this Scheme.
- c) The reduction of capital will not have any adverse effect on any directors, key managerial personnel, promoters, non-promoter members, creditors and employees of the Company. The Company does not have any depositors and debenture holders. The reduction of capital will be in the best interest of all the stakeholders of the Company.

The reduction of Share Capital of the Company does not envisage transferor vesting of any properties and /or liabilities to or in favor of the Company.

- d) The reduction of capital does not involve diminution of any liability in respect of unpaid capital of the Company, if any and nor is there any payment on the reduction of share capital. No additional amount shall be called from any of the existing shareholders after capital reduction.
- e) The reduction of capital shall not affect the conduct of the business of the Company and for any deeds, bonds, contracts, agreements and any other instruments to which the Company is a Party and/ or any legal or other proceedings by or against the Company.
- f) The capital reduction, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.
- g) The proposed reduction of capital, if approved, would enable the Company to explore opportunities for the benefit of its Shareholders, including the form of dividend payments, in terms of the applicable laws and will result in making the Company's balance sheet leaner and downsized. The proposed Scheme would be for the overall benefit of the Company, its creditors, its Shareholders and all other stakeholders.

- h) The capital reduction would provide greater flexibility to the Company in raising funds either from the capital market or from any bank/ financial institutions in the form of equity or debt, depending on the business needs of the Company and will be for the benefit of the and its Company shareholders, creditors and all concerned as whole.”

“**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be is hereby singly authorized do all such acts, deeds and things as may be required to give effect to the aforesaid resolutions, including issuing share certificates, making necessary filings, etc. with the NCLT/ or regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before the regulatory authorities and to give effect to the aforesaid resolution.”

“**RESOLVED FURTHER THAT** a certified true copy of the above resolution be forwarded wherever required, under the signature of any Director or any officials of the Company as authorized above.”

**For & on behalf of the Board of Director
Saptak Chem and Business Limited**

**Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964**

**Date: 29-05-2024
Place: Ahmedabad**

Registered Office:

201 Chiranjiv Complex
Mahalaxmi Five Road,
Paldi Ahmedabad-380007
CIN: L24299GJ1980PLC101976
Email: info@saptakchem.com
Website: www.saptakchem.com

Notes:

1. In view of the continuing Covid-19 pandemic in the country, social distancing norms to be followed and continuing restriction on movement of persons at several places, the Ministry of Corporate Affairs (“MCA”) has, vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, General Circular No 10/2022 dated 28.12.2022 & General Circular No 11/2022 dated 28.12.2022, 09/2023 dated 25.09.2023 as amended from time to time till date, (collectively referred to as “MCA Circulars”), directed that companies shall hold the Annual General Meeting through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) only and accordingly, in compliance with the provisions of the Companies Act, 2013 (the “Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, Annual General Meeting of the members of the Company (AGM) will be held through VC/OAVM only (hereinafter referred to as “AGM”).
2. Further, in compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Bank/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the company’s website www.saptakchem.com, websites of the Stock Exchanges i.e., BSE Limited and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com.
3. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to the Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
4. All documents referred to in the notice and the explanatory statement provided hereinafter, will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM i.e., Thursday, June 27, 2024. Members seeking to inspect such documents can send an email to info@saptakchem.com.
5. The Share Transfer Books & the Register of Members shall remain closed from 21st June, 2024 to 27th June, 2024 (Both days inclusive).
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the 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. Since this AGM is being held pursuant to the MCA Circulars referred to above through VC, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

7. Institutional/Corporate Shareholders (i.e., other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email from its registered email address to info@saptakchem.com with a copy marked to evoting@nsdl.co.in.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank account details such as, name of the bank and branch, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company's RTA- MCS Share Transfer Agent Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Rd, Shreyas Colony, Ahmedabad, Gujarat 380009 (Tel: 07926580461 Email: mcsstaahmd@gmail.com) in case the shares are held by them in physical form.
9. 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 Bank or Register of Beneficial holders as made available by the depositories, will be entitled to vote at the AGM.
10. Members desiring any information with regard to the annual accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 26th June, 2024 through email on info@saptakchem.com.
11. Members attending the AGM through "VC" shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. Since the AGM will be held through "VC", the Route Map is not annexed in this Notice.
13. Instructions for remote e-voting and procedure to join the AGM are provided as under.

Instructions for attending Annual General Meeting virtually

As per extension of covid circular for holding AGM through VC, granted and issued by the Ministry of corporate affairs and Securities Exchange Board of India and various other government authorities, Company has decided to conduct the meeting through zoom app.

Login id and password for attending the AGM will be send to the members on their registered E-Mail ID (if E-Mail ID is not registered then first registered your E-Mail ID with NSDL/CDSL) at least before 3 days prior to the date of AGM, Link of the meeting will also be available on the website of the Company i.e. www.saptakchem.com.

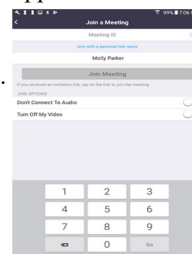


Steps for Android users

- Open the zoom mobile app. If you have not downloaded the Zoom mobile app yet, you can download it from the Google Play Store.
- Join a meeting using one of these methods
 - a) Tap Join a Meeting if you want to join without signing in.
 - b) Sign in to Zoom then tap Join.



- Enter the meeting ID number and your display name.
 - a) If you're signed in, change your name if you don't want your default name to appear. *
 - b) If you're not signed in, enter your name registered with the Company. *
- Select if you would like to connect audio and/or video and tap Join Meeting.

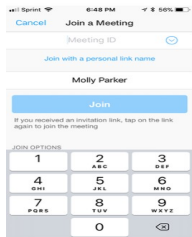


➤ **Steps for iOS users.** 

- Open the Zoom mobile app. If you have not downloaded the Zoom mobile app yet, you can download it from the App Store.
- Join a meeting using one of these methods
 - a) Tap Join a Meeting if you want to join without signing in.
 - b) Sign in to Zoom then tap Join.



- Enter the meeting ID number and your display name.
 - a) If you're signed in, change your name if you don't want your default name to appear. *
 - b) If you're not signed in, enter a display name*
- Select if you would like to connect audio and/or video and select Join.



Steps for Web browsers.

● **Google Chrome** 

- Open Chrome.
- Go to join.zoom.us.
- Enter your meeting ID provided by the host/organizer.



- Click Join.
 - a) If this is your first time joining from Google Chrome, you will be asked to open the Zoom client to join the meeting.
 - b) You can check Always open these types of links in the associated app to skip this step in the future.
 - c) Click Open Zoom Meetings (PC) or Open zoom.us (Mac).

Open Zoom?

<https://zoom.us> wants to open this application.



● **Safari** 

- Open Safari.
- Go to join.zoom.us.
- Enter your meeting ID provided by the host/organizer.



- Click Join.
- When asked if you want to open zoom.us, click



Steps for Microsoft Edge or Internet Explorer



- Open Edge or Internet Explorer.
- Go to join.zoom.us.
- Enter your meeting ID provided by the host/organizer.

Join a Meeting

Your meeting ID is a 9, 10, or 11-digit number

Join

- Click Join.

-: Important: -

- *If you don't register your name then you are not liable to attend the AGM.
- **If you have any query/suggestions then click on Raise Hand Button then after admin will un-mute you.
- **Always start your Video, without video you will not liable to attend the AGM.
- ***To Start Audio, Below Instructions are to be followed from your side: -
Click on > Setting Button > Meeting > Auto-Connect to Audio > Call over Internet.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on **June 24, 2024 at 09:00 A.M. and ends on June 26, 2024 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the **record date (cut-off date) i.e., June 20, 2024**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the **cut-off date, being June 20, 2024**.

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





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

Step 1: Access to NSDL e-Voting system

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to

	<p>NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p>  
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>
<p>B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.</p>	

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csrupalimodi@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@saptakchem.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digits DPID + CLID or 16 digits beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@saptakchem.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
 - A. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the company as on the Cut-Off Date of Thursday, 20th June, 2024.
 - B. A Copy of This Notice Has Been/ Shall Be Placed on The Website of The Company and The Website Of NSDL.
 - C. Mrs. Rupali Modi, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - D. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make not later than two working days of conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.
 - E. In terms of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is sent along with this Notice. A member desiring to exercise vote by Ballot shall complete

the said Ballot Form with assent (for) or dissent (against) and send it to Mrs. Rupali Modi, Scrutinizer, having office address at B-601 Samarpan Palace, dattapada Road, Borivali, Mumbai-400066, E-mail: esrupalimodi@gmail.com so as to reach her on or before 26th June, 2024 by 5.00 p.m. Any Ballot Form received after the said date and time shall be treated as if the reply from the Members has not been received.

- F. The facility for voting through ballot shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e- voting/ ballot shall be able to exercise their voting right at the meeting.
 - G. The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - H. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website within 2 (Two) working days of conclusion of the annual general meeting and will be communicated to BSE Limited (BSE), who are required to place them on their website. The same shall also be placed on the website of NSDL.
5. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
 6. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts; will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
 7. Corporate members intending to send their authorized representative to attend the meeting pursuant to the section 113 of the Companies Act, 2013 are requested to send to the company a certified true copy of the relevant board resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
 8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer agent of the Company immediately.
 9. Members are requested to note that as per Companies Act, 2013, dividends not encashed / claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company. However, no pending dividend is there as on date.
 10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer agent of the Company.
 11. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
 12. The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman. The Results declared along with the Scrutinizer's Report shall be placed on the Company's/ NSDL's website within two working days of passing of the resolutions at the AGM of the Company and shall be communicated to BSE Limited (BSE).

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

13. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to www.saptakchem.com.
14. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to www.saptakchem.com If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
15. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
16. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
17. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to MCS Share Transfer Agent Limited- Registrar and Share Transfer agent of the Company immediately.
18. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to MCS Share Transfer Agent Limited, Ahmedabad, Registrar and Share Transfer agent of the Company.
19. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

Date: 29/05/2024
Place: Ahmedabad

For & on behalf of the Board of Director
Saptak Chem and Business Limited
Sd/-
Manthan Bhavsar
Managing Director
DIN: 05208214

Registered Office:
201 Chiranjiv Complex
Mahalaxmi Five Road,
Paldi Ahmedabad-380007
CIN: L24299GJ1980PLC101976
Email: info@saptakchem.com
Website: www.saptakchem.com

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013 ('Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations') sets out all material facts relating to the business(es) to be dealt at the 45th Annual General Meeting as mentioned under Item Nos. 1 to 3 of the accompanying Notice dated May 29, 2024:

Item No. 1: Adoption of audited financial result etc., March 31, 2024

In terms of the provisions of Section 129 of the Companies Act, 2013, the Company submits its audited financial statements for F.Y. 2023-24 for adoption by members at the Annual General Meeting ("AGM").

The Board of Directors (the "Board"), on the recommendation of the Audit Committee, has approved audited financial statements for the financial year ended March 31, 2024. Detailed elucidations of the financial statements have been provided under various sections of the Annual Report, including the Board's Report and Management Discussion and Analysis Report.

The Audited Financial Statements of the Company along with the reports of the Board of Directors and Auditors thereon:

- have been sent to the members at their registered e-mail address; and
- have been uploaded on the website of the Company i.e., www.saptakchem.com under the "Investors" section.

M/s. Aniket Goyal & Associates, Chartered Accountants (FRN. 022331C), Statutory Auditor has issued an unmodified audit report on the financial statements and has confirmed that the financial statements, represent a true and fair view of the state of affairs of the Company

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends the **Ordinary Resolution** set out at Item No. 1 for approval of the members of the Company.

Item No. 2 : Re-appointment of Mr. Manthan Bhavsar (DIN: 05208214) as a Managing Director (Executive), who retires by rotation and being eligible, offers himself for re-appointment.

Section 152 of the Companies Act, 2013 (“Act”) mandate certain number of directors to retire at every Annual General Meeting (“AGM”) of the Company who can offer themselves for re-appointment. In compliance with this requirement, Mr. Manthan Bhavsar (DIN: 05208214), Managing Director, retires by rotation at the ensuing AGM. He is eligible and has offered himself for re-appointment.

A brief profile of Mr. Manthan Bhavsar to be reappointed as an Executive Director is given under the heading “Details of Directors proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India” elsewhere in the Notice.

The Company has received declaration from Mr. Manthan Bhavsar that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Manthan Bhavsar has contributed immensely to the Company’s growth. He is having the vast experience in the field of infrastructure, administration and finance. He possesses strong analytical and investment evaluation skills and with his outstanding networking and relationship management ability.

Details of Directors proposed to be re-appointed pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India:

Name of the Director	Mr. Manthan Bhavsar
DIN	05208214
Date of Birth (Age in years)	18/07/1988
Date of first appointment	31/12/2016
Experience/ Expertise in Specific Functional Areas	Mr. Manthan Bhavsar is having the vast experience in the field of administration and finance.
Qualification(s)	Graduate (Account)
Directorship in other companies including listed companies *	Nil
Listed entities from which the person has resigned in the past three years	Nil
Chairmanship / Membership of Committees (across all public companies in Audit Committee and Stakeholders’ Relationship Committees)	0
Shareholding in the listed entity, including shareholders as a beneficial owner	Nil
No. of Board Meetings Held/ Attended	6
Details of Remuneration sought to be paid	Nil
Last Remuneration drawn (per annum)	Nil
Disclosure of relationships between directors inter-se	Nil
Terms and conditions of reappointment and Remuneration	Mr. Manthan Bhavsar shall be reappointed as Director (Executive), liable to retire by rotation

* Directorships in private limited companies (except deemed public companies), foreign companies and section 8 companies and their committee memberships are excluded. Membership and chairmanship of Audit Committee and Stakeholders’ Relationship Committee of only public companies have been included in the aforesaid table.

Except the above, none of other Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends resolution at Item No. 2 relating to re-appointment of Mr. Manthan Bhavsar as Director (Executive), for approval of the members as an **Ordinary Resolution**.

Item no. 3: To appoint M/s. Meet Shah & Associates, Chartered Accountants, Ahmedabad as Statutory Auditors of the Company to hold office for a period of 3 (Three) consecutive financial years, from the conclusion of the 45th Annual General Meeting of the Company until the conclusion of the 48th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

M/s. Aniket Goyal & Associates, Chartered Accountants, Chartered Accountants has been the Statutory Auditors of the Company who has been appointed on January 19, 2024 till the conclusion of this 45th AGM.

Now, M/s. Aniket Goyal & Associates, Chartered Accountants (Firm Registration No.: 022331C), has completed his term as the Statutory auditor of the company. Hence, M/s Aniket Goyal & Associates, Chartered Accountants, retires as the Statutory Auditors of the company at the conclusion of the 45th Annual General Meeting. Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the board of directors of the company has in its meeting held on May 29, 2024 proposed to appoint M/s. Meet Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration No.: 169259).

M/s. Meet Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration No.: 169259) have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice.

The Board recommends the resolution set forth in item No. 3 of the notice for approval of the member as a **Special Resolution**.

Item No. 4: To consider and approve Scheme of Capital Reduction of Company

1. BACKGROUND:

The proposed Reduction of the Equity Share capital is being undertaken in accordance with the provisions of Section 66 and other applicable provisions of the Act and the rules made thereunder (“the **Rules**”) (including any statutory modification(s) or re-enactment) and National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 (“**NCLT Rules**”), which permit a Company to reduce its share capital in any manner including in the manner contemplated by the Company.

2. REASONS FOR ACCUMULATED LOSSES AND DETAILS OF LOSS BUILDUP OF COMPANY FOR LAST FINANCIAL YEARS

The Fertilizer Industry has been adversely affected due to the adverse Policies of Govt. of India, as a result thereof, margins have been under pressure due to withdrawal of subsidy in the year 2001-2002. The prices of raw materials used in organic and inorganic chemical production was highly volatile and due to this supply chain of the company was disrupted. Due to this, the Company has already closed the operation and there had been a Nil turnover of SSP which was the mass product of the Company. The Company has closed its operation and there was no Production and Sale during the year. The working and operational results showed net loss of Rs. 11.38 lacs in F.Y. 2012-13. There were other like Shift in market demands, economic downturns, recessions, or global market instability factors which also played major role in decreasing the revenue of the company.

So far as SSP Industry is concerned, the future is very bleak due to availability of Imported Fertilizer and other substitute at more economical prices and drastic reduction in demand due to various reasons.

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking, Inventory management and proactive vendor development

practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigation the impact the impact of price risk on finished goods.

The operations of the company were closed till 2016 and the company was not generating any revenue during these years. In F.Y. 2016-17 the total income was Rs. 7,91,432/-. However, it was not enough to mitigate all operational expenses of the Company. After making all necessary provisions for current year and after taking into account the current year net Loss, the negative surplus carried to Balance Sheet was become Rs. 12,97,20,757/-. After F.Y.2016-17, the company has been generating revenue but due to previous losses company was not able to generate chances to recover from the losses. The Company has also diversified its line of business from chemical to the trading of industrial salt also. However, it did not make much remunerative to the Company and day-by-day operational losses of the Company increased.

In F.Y. 2019-2020 due to sluggish market condition and pandemic COVID- 19, the company has been striving hard to re-enter into market. even in the mid of sluggish market condition and pandemic COVID – 19, the company has tried to penetrate in the market and against Nil income of previous year, the company has achieved gross turnover of Rs.7,37,700/- during FY 2020-21 with net operational loss of Rs.2,04,596 (PY net loss Rs.84,900/-). Details of profit and loss build up, of the company, through-out the years are mentioned below:

Sr. No.	Year	Profit/(-)Loss	Cumulative Loss	% of total cumulative loss	% as compared to last FY
1.	2000-01	-12851863	-10,35,08,727	9.99	-
2.	2001-02	-22269028	-12,57,77,755	17.31	173.27
3	2002-03	-2274186	-12,80,51,941	1.77	10.21
4.	2003-04	-2992088	-13,10,44,029	2.33	131.57
5.	2004-05	-2551076	-13,35,95,105	1.98	85.26
6.	2005-06	-2462346	-13,60,57,451	1.91	96.52
7.	2006-07	-19676700	-15,57,34,151	15.29	799.10
8.	2007-08	2443850	-15,32,90,301	-1.90	-12.42
9.	2008-09	-6271588	-15,95,61,889	4.87	-256.63
10.	2009-10	25293265	-13,42,68,624	-19.66	-403.30
11.	2010-11	-1170509	-13,54,39,133	0.91	-4.63
12.	2011-12	-1493880	-13,69,33,013	1.16	127.63
13.	2012-13	-1137608	-13,80,70,621	0.88	76.15
14.	2013-14	-1492334	-13,95,62,955	1.16	131.18
15.	2014-15	10793333	-12,87,69,622	-8.39	-723.25
16.	2015-16	-971427	-12,97,41,049	0.75	-9.00
17.	2016-17	20292	-12,97,20,757	-0.02	-2.09
18.	2017-18	11,16,071	-12,86,04,686	-0.87	5500.05
19.	2018-19	1,34,940	-12,84,69,746	-0.10	12.09
20.	2019-20	-84,900	-12,85,54,646	0.07	-62.92
21.	2020-21	-2,04,596	-12,87,59,242	0.16	240.98
22.	2021-22	20,132	-12,87,39,110	-0.02	-9.84
23.	2022-23	58,242	-12,86,80,868	-0.05	289.30

The Equity Share Capital of the Company is listed on two national stock exchanges i.e., BSE Limited.

In view of the above, the Board of Directors at its meeting held on January 19, 2024 after due deliberations, opted to reduce the paid-up Equity Share Capital of the Company to the extent from Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The aforesaid reduction of paid-up equity share capital shall be affected by cancelling 96,59,045 equity shares of the Company.

The Capital Reduction will enable the Company to write off the accumulated losses as reflected in the Audited Balance Sheet of the Company for the year ended 31st March, 2023 (“**Accumulated Losses**”) upto the extent of

Rs.9,65,90,450/- (Rupees Nine Crore Sixty Five Lacs Ninety Thousand Four Hundred Fifty only). The Capital Reduction and the corresponding writing off of the Accumulated Losses will enable the Company to have a rational structure which is commensurate with its business, assets and true net worth.

Exact amount of loss to be carried forward after the proposed reduction of share capital: The Company, in accordance Section 66 and other applicable provisions of the Companies Act, 2013 read with Regulation 37 and other applicable Regulations of SEBI (LODR) Regulation, 2015 and the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, shall undertake the financial reconstruction of Company whereby the accumulated losses of profit and loss account amounting to Rs.9,65,90,450/- (Rupees Nine Crore Sixty Five Lacs Ninety Thousand Four Hundred Fifty only) shall be set off and the Share Capital shall stand cancelled to the extent of Rs.9,65,90,450/- (Rupees Nine Crore Sixty Five Lacs Ninety Thousand Four Hundred Fifty only). Thereby the exact amount of loss to be carried forward after the proposed reduction of share capital shall be Rs.3,20,90,418, based on the audited balance sheet as on 31st March, 2023 and statutory auditors certificate dated January 19, 2024.

In relation to above, the Audit committee and the Board of Directors of the Company approved the proposal for Reduction of Capital as per the Scheme at their respective meetings held on **January 19, 2024**, subject to receipt of observations and no objection from BSE Limited (“**BSE**”) (“**designated Stock Exchange**”). The Company had filed the necessary applications with both the exchanges for seeking their no-objection to the Scheme. Consequently, the office of the BSE Limited (BSE) (designated Stock Exchange) had issued observation letter dated May 2, 2024 to the above proposed reduction of share capital. Copies of the aforesaid Observation Letter is enclosed as Annexure-2 to this notice. As per the Observation Letters, the respective exchanges have given “No objection” and “no adverse objection” to the Scheme. The scheme is annexed herewith as Annexure-1.

The Board of Directors of the Company based on the recommendation of the Audit Committee, at their meeting held on May 4, 2024 has taken the note of the Observation Letter / No objection letter No. DSC/AMAL/AK/R37/3160/2024-25 dated May 2, 2024 issued by the office of the BSE Limited and the Scheme of Capital Reduction of Issued, Subscribed and Paid-up Equity Share Capital between the Company and its Shareholders as per the terms set out in the Resolution. Article 6 of the Articles of Association of the Company provides for the reduction of Share Capital of the Company. Under the mandate of the Act, it is necessary to obtain the approval of the shareholders of the Company bypassing a special resolution for the Reduction of Capital as per the Scheme and as per provisions of Section 66 of the Companies Act, 2013 and such reduction of capital would have to be confirmed by NCLT as provided under Section 66 of the Act and NCLT Rules.

Further, no consideration shall be paid by the Company to the shareholders with respect to the proposed Capital Reduction, hence, no separate valuation of shares is necessary in determining the fair value of the said shares of the Company for the purposes of the proposed Capital Reduction and therefore, the need for a valuation report for the purpose of the proposed Capital Reduction is dispensed of.

3. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

(A) Capital Structure- Pre and Post Reduction of Capital:

Particulars	Pre-Reduction (Rs.)	Particulars	Post Reduction (Rs.)
Authorized Share Capital		Authorized Share Capital	
1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000	1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000
Total	11,00,00,000	Total	11,00,00,000
Issued & Subscribed Capital		Issued & Subscribed Capital	
1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720	1,07,32,272 equity shares of Rs. 10/- each	1,07,32,270
Total	10,73,22,720		1,07,32,270
Paid-up Share Capital 1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720	Paid-up Share Capital 1,07,32,272 equity shares of Rs. 10/- each	1,07,32,270
Total	10,73,22,720		1,07,32,270

(B) Shareholding pattern- Pre and Post Reduction of Capital:

Category	Pre - Scheme (Equity Shares of Rs. 10 each)		Post Scheme (Equity Shares of Rs. 10 each)	
	No. Shares	Percentage	No. Shares	Percentage
Promoter	17,50,000	16.31	1,75,000	16.31
Public	89,82,272	83.69	8,98,227	83.69
TOTAL	1,07,32,272	100	10,73,227	100

(C) Capital Buildup of the Company since inception

Date of Issue	No. of shares issued	Issue Value Rs.	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
12-03-1980	250	10	Initial Subscription	250	Listed
29-05-1982	9,16,500	10	Preferential Allotment	9,16,750	Listed
16-07-1985	26,67,850	10	IPO	35,84,600	Listed
24-03-1993	31,47,672	10	FPO	67,32,272	Listed
28-01-1999	20,00,000	10	Preferential Allotment	87,32,272	Listed
07-02-2000	15,00,000	10	Preferential Allotment	1,02,32,272	Listed
01-03-2001	5,00,000	10	Preferential Allotment	1,07,32,272	Listed

4. RATIONAL AND SYNERGIES OF THE SCHEME AND ITS IMPACT ON THE PUBLIC SHAREHOLDERS

4.1 RATIONALE OF THE SCHEME OF CAPITAL REDUCTION

- a. The Company's financial statement currently reflects Accumulated Losses (debit balance of Profit & Loss Account) to the tune of Rs. 12,86,80,868 (Rupees Twelve Crores Eighty-Six Lakhs Eighty Thousand Eight Hundred and Sixty-Eight Only) based on Audited Standalone financial Statements for the year ended March 31, 2023. The present issued, subscribed and paid-up share capital of the Company is Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lacs Twenty-Two Thousand Seven Hundred Twenty only) comprising of 1,07,32,272 Equity Shares of Rs.10/- each. Accumulated Losses have substantially wiped off the value represented by the Share Capital.
- b. In order to re-align the relation between capital and assets; and to accurately and fairly reflect the assets and liabilities of the Company in its books of accounts; and for better presentation of the financial position of the Company, the Board of Directors has decided to write off the Accumulated Losses against Share Capital in accordance with the provisions of Sections 66 of the Companies Act, 2013, and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions.
- c. In such circumstances, it is desired that the capital structure of the Company should be reorganized. Hence, the Board of Directors has decided that accumulated losses should be written-off to maximum possible extent, i.e. the Paid-up Equity Shares Capital of the Company be reduced by Rs. 9,65,90,450.
- d. In the above context, the Company proposes to write off Accumulated Losses of Rs.9,65,90,450 (Rupees Nine Crores Sixty-Five Lakh Ninety Thousand Four Hundred Fifty Only) reflecting in the Audited Standalone financial statements of the Company as on March 31, 2023 with the share capital of the Company.
- e. By virtue of article 06 of Articles of Association of the Company, the Company is authorized to reduce its share capital in any manner and in accordance with the provisions of the Act.
- f. The reduction envisaged under this Scheme will not result in any change in the shareholding of the Members of the Company and would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its obligations in the ordinary course of business.
- g. The proposed reduction of the equity share capital of the Company would not have any adverse effect on the creditors of the Company or the Company's ability to full fill its commitments or meet its obligations in the ordinary course of business.

- h. The Scheme does not provide any cash pay out to affect the Reduction of Capital, therefore the scheme will not adversely affect the liquidity and/or financial position of the Company.
- i. The company has historically incurred losses and has accumulated a debit balance in its Profit and Loss Account; representing legitimate business expenses and operational losses incurred by the company in the ordinary course of its business over a period of time; Since, this Scheme of capital reduction aims to streamline the company's capital structure, enhance financial efficiency, and improve its overall financial health, therefore, it is hereby justified that the debit balance existing in the Profit and Loss Account as of is a result of prudent business decisions, operational requirements.
- j. Hence, the Board of Directors believe that in order to present a fair position of the affairs of the Company, the most practically and economically efficient option available to the Company, subject to the confirmations/sanction as of the requisite majority of the Shareholders of the Company and the NCLT and such other appropriate authority, as may be applicable.

4.2 EFFECTS AND BENEFITS OF THE PROPOSED REDUCTION:

(a) The proposed Scheme of Capital Reduction of the Company also has the following **benefits**:

1. Under this Scheme, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.
2. The adjustment would not have any impact on the shareholding pattern and the capital structure of the Company.
3. The proposed restructuring under the Scheme, if approved, would enable the Company to explore opportunities for the benefit of its Shareholders, including the form of dividend payments, in terms of the applicable laws.
4. The Scheme, if approved, may enable the Company to explore opportunities that it was unable to take advantage of because of it experiencing Accumulated Losses.
5. The Scheme of reduction, after full implementation, will result in making the Company's balance sheet leaner and downsized. The proposed Scheme would be for the overall benefit of the Company, its creditors, its Shareholders and all other stakeholders.
6. The reduction of the Paid—up share capital of the Company by way of adjustment/set off of the Accumulated Losses against the paid-up share capital of the Company. It does not result in extinguishing of any liability or diminution of any liability.
7. The Scheme, if approved, would provide greater flexibility to the Company in raising funds either from the capital market or from any bank/ financial institutions in the form of equity or debt, depending on the business needs of the Company.
8. The reduction of capital in the manner proposed would enable the Company to have commensurate with its remaining business and assets.
9. The proposed reduction will be for the benefit of the and its Company shareholders, creditors and all concerned as whole.
10. The reflection of the true financial statement of the Company would ensure the Company to attract a new source of revenue.
11. The Scheme will enable the Company to overcome its financial difficulties and improve its work in the future and in turn enhancement of its shareholder's value.
12. The financial structuring will help the Company to reflect better its operational efficiency, and improvements in the future years and reflect the true share value.
13. The consent of the Shareholders of the Company to this Scheme of reduction of Share Capital of the Company shall be taken through a resolution under the provisions of Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable).
14. The Scheme is merely a reduction in the Share Capital of the Company prepared in terms of Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable) and does not envisage transfer, conveyance or vesting of any of the properties and/ or liabilities of the Company to any person or entity.
15. Consequently, the order of NCLT approving the scheme would not attract any stamp duty in this regard under the applicable provisions of the Indian Stamp Act, 1899 or the Bombay Stamp Act, 1958 applicable to the State of Gujarat.

(b) **EFFECTS & IMPACT OF THE SCHEME ON THE PUBLIC SHAREHOLDERS:** The proposed Scheme of Capital Reduction of the Company also has the following Effects and impact on the public shareholders:

- a. The Company has incurred Rs.12,86,80,868 (Rupees Twelve Crores Eighty-Six Lakh Eighty Thousand Eight Hundred and Sixty-Eight Only) accumulated losses as per the last audited balance sheet i.e. as on 31st March, 2023.

- b. Upon the Scheme becomes effective and after obtaining the necessary approvals, consent, permissions, the Subscribed, Issued and Paid -up Equity Share capital of the Company shall stand reduced from Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The aforesaid reduction of paid-up equity share capital shall be affected by cancelling 96,59,045 equity shares of the Company.
- c. For the sake of brevity, it is clarified that the reduction of capital does not involve diminution of any liability in respect of unpaid capital of the Company, if any and nor is there any payment on the reduction of share capital. No additional amount shall be called from any of the existing shareholders after capital reduction.
- d. The scheme does not involve any conveyance or transfer of any property of the Company and consequently the order of the Hon'ble National.
- e. Upon this Scheme becoming effective, the Company shall, without any further application, act, instrument or deed, give effect to the Capital Reduction and the revised structure of the share capital of the Company shall be reflected in the books of accounts of the Company in the following manner as on the effective date.
- f. Pre - Post Reduction Capital Structure of the Company is as under:

Particulars	Pre-Reduction (Rs.)	Particulars	Post Reduction (Rs.)
Authorized Share Capital		Authorized Share Capital	
1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000	1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000
Total	11,00,00,000	Total	11,00,00,000
Issued & Subscribed Capital		Issued & Subscribed Capital	
1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720	10,73,227 equity shares of Rs. 10/- each	1,07,32,270
Total	10,73,22,720	Total	1,07,32,270
Paid-up Share Capital		Paid-up Share Capital	
1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720	10,73,227 equity shares of Rs. 10/- each	1,07,32,270
Total	10,73,22,720	Total	1,07,32,270

- g. The Pre and Post Reduction Shareholding pattern of the Company will be as follows:

Category	Pre - Scheme (Equity Shares of Rs. 10 each)		Post Scheme (Equity Shares of Rs. 10 each)	
	No. Shares	Percentage	No. Shares	Percentage
Promoter	17,50,000	16.31	1,75,000	16.31
Public	89,82,272	83.69	8,98,227	83.69
TOTAL	1,07,32,272	100	10,73,227	100

- h. Details of (Pre-Post Scheme) Assets and Liabilities of the Company:-

(Amount Rs.)

Particulars	Before Scheme of Reduction	After Scheme of capital Reduction
ASSETS		
Non Current Assets		
Property, Plant and Equipment		
Capital Work in Progress		
Financial Assets		
Investments	-	-

Loans & Advances	-	-
Other Non-Current Assets	-	-
Current assets		
Current investments		
Inventories	-	-
Financial Assets		
Trade Receivables	-	-
Cash and Cash Equivalents	5,27,777	5,27,777
Loans & Advances	13,22,138	13,22,138
Other Current Assets	-	-
TOTAL	18,49,915	18,49,915
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	10,73,22,720	1,07,32,270
Other Equity	(12,87,74,057)	(3,21,83,607)
Liabilities		
Non Current Liabilities		
Financial Liabilities		
Borrowings	-	-
Deferred Tax Liabilities (Net)	-	-
Current Liabilities		
Financial Liabilities		
Borrowings	2,33,01,253	2,33,01,253
Trade Payables	0.23	-
Short-Term Provisions	-	-
Other Current Liabilities	-	-
TOTAL	18,49,915	18,49,915

- i. Upon the scheme coming into effect, with the above reduction of the equity share capital of the Company in accordance with the above clause the existing 1,07,32,272 Equity Shares of Rupees 10/- each shall be reduced to 10,73,227 Equity Shares of Rupees 10/- each fully paid up. Consequently, every shareholder of the Company whose name appear on the register of members on the Record date shall be issued 10 (Ten) equity shares of face value of Rs. 10/- (Rupees Ten) fully paid up for every 100 (Hundred) equity shares of held Rs. 10/- (Rupees Ten) fully paid up by Shareholders in the Company as on the Record Date.
- j. The Company shall be empowered to advise the depository participant of the shareholders holding shares in the dematerialized form, on the record date, about the information of shareholding arising out of capital reduction pursuant to this scheme, for substitution thereof or in lieu of the certificate of the equity shares held by them before such capital reduction.
- k. Those equity shareholders of the Company who continue to hold their shares in physical form as on Record date shall be issued and delivered fresh share certificate consequent upon the reorganization of capital irrespective of whether such equity shareholders surrender their old share certificate or not. Their original share certificate shall be deemed to be cancelled and non -usable and non-tradable on any stock exchange or otherwise from and after the record date. The stock exchange shall also be intimated, on the Record date of the non- tradability of the original share certificate so that they can intimate their Company's members by public notice displayed on the Notice Board and through electronic means.
- l. The Scheme is only for reduction of Share Capital of the Company and it does not envisage transferor vesting of any properties and /or liabilities to or in favor of the Company. The percentage of shareholding pattern of the Company shall remain unchanged.
- m. The proposed reduction of Paid-up Share Capital of the Company by way of writing off the Accumulated losses against the share capital of the Company will be for the benefit of the Company, its creditors, Shareholders and all the concerned stakeholders. Such reduction will not cause any prejudice to the creditors of the Company. It does not involve either the diminution of any liability in respect of any unpaid capital or the payment to the Shareholder of the paid-up capital. Further, the proposed reduction of capital would not in any way adversely affect the ordinary

operations of the Company or the ability of the Company to honor its commitments or pay its debts in the ordinary course of the business.

- n. The Company shall not be required to use the words “AND REDUCED” as part of its name and such use is dispensed with.

5. EFFECTIVE DATE OF REDUCTION OF SHARE CAPITAL:

After receipt of approval of the shareholders, the Company will take steps to file the requisite application with the NCLT in accordance with the provisions of Section 66 and other applicable provisions of the Act and the NCLT Rules, seeking confirmation of the Reduction of Capital as per the Scheme. Pursuant to section 66(5) of the Act, this resolution will be effective on the date when the Registrar of Companies, Gujarat registers the NCLT order approving the Reduction of Capital as per the Scheme and issues a certificate to that effect.

6. AUDITOR CERTIFICATE:

M/s. Aniket Goyal & Associates, Chartered Accountants, have issued a Certificate dated January 19, 2024 stating that the Accounting Treatment proposed by the Company for the Reduction of Capital as per the Scheme is in conformity with the Accounting Standards specified in the Act and the Generally Accepted Accounting Principles.

7. FAIRNESS OPINION:

GYK Capital Advisors Private Limited, Merchant Bankers have issued the fairness opinion on the Scheme of Reduction of Share Capital stating that the requirement for valuation report as mentioned in Para 1(A)(4)(a) of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 is not applicable to the proposed Reduction of Capital as per the Scheme of the Company since there is no change in the shareholding pattern of the Listed Entity.

8. TREATMENT AND PAYMENT FOR FRACTIONAL SHARES:

As per Scheme of Capital Reduction, “No shareholder shall be entitled to a fraction of a share and all fractional entitlements resulting from the consolidation shall be aggregated to into whole shares and the number of shares so arising shall be held by the Trust/Trustee appointed by the Board who shall dispose – off the said shares in the market at the best available price within 90 days from the date of allotment of shares in one or more lots. The trustee shall severally hold the net sale proceeds of all such shares after deducting that from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the company in proportion to their fractional entitlements.”

No New Equity Shares shall be issued by the Company in respect of the fractional entitlements, if any, to which the shareholders of the Company may be entitled to in terms of the Capital Reduction and cancellation ratio. The fractional entitlements of the relevant shareholders of the Company shall be consolidated and thereupon New Equity Shares shall be issued and allotted in lieu of thereof to such Director(s), Officer(s) or other person(s) as shall be nominated by the Company [“Representative”] who shall hold the shares in trust on behalf of the shareholders of the Company entitled to the fractional entitlements on the express understanding that such Representative, shall sell the same in the market at such time or times and at such price or prices, as deemed fit by such Representative, and the net sale proceeds thereof shall be distributed, subject to deduction of tax as applicable and related expenses, to the shareholders of the Company in proportion to their respective fractional entitlements.

9. GENERAL INFORMATION AND DISCLOSURES:

Article 6 of the Articles of Association of the Company provides for reduction of capital of the Company by way of a special resolution in accordance with the provisions of the Act.

The Capital Reduction will not cause any prejudice to the creditors of the Company. The creditors of the Company are in no way affected by the proposed Capital Reduction, as there is no reduction in the amount payable to any of the creditors. Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honour its commitment or to pay its debts in the ordinary course of business.

All documents referred to in the accompanying Special Resolution and Explanatory Statement annexed thereto are made available on the Company’s website at: www.saptakchem.com and would also be available for inspection to the members at the Registered Office of the Company between 10:00 A.M. (IST) and 1:00 P.M. (IST) on any working day, except Saturdays, Sundays and public holidays, till the last date for remote e-voting by the members.

No inquiry or investigation is pending against the Company under any provisions of Act.

The Board of Directors of the Company considered that this resolution is in the best interests of the Company, its shareholders and therefore, recommends the passing of the special resolution as set out in the item no.4 to this Notice.

None of the Directors and / or Key Managerial Personnel of the Company or their relatives are, in any way, deemed to be concerned or interested in the said resolution except to the extent of their respective shareholding in the Company.

Date: 29/05/2024
Place: Ahmedabad

Registered Office:
201 Chiranjiv Complex
Mahalaxmi Five Road,
Paldi Ahmedabad-380007
CIN: L24299GJ1980PLC101976
Email: info@saptakchem.com
Website: www.saptakchem.com

For & on behalf of the Board of Director
Saptak Chem and Business Limited
Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964

SCHEME OF REDUCTION OF SHARE CAPITAL

BETWEEN

SAPTAK CHEM AND BUSINESS LIMITED

AND

ITS SHAREHOLDERS

**UNDER SECTION 66 AND OTHER APPLICABLE SECTIONS OF THE COMPANIES ACT, 2013 AND
NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE FOR REDUCTION OF SHARE CAPITAL OF
COMPANY) RULES, 2016**

PREAMBLE OF THE SCHEME:

This Scheme of Reduction of Share Capital is presented by Saptak Chem and Business Limited) (“**the Company**” or “**SCBL**”), pursuant to the provisions of Section 66 and other applicable provisions of the Companies Act, 2013 (“**the Act**”) and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 (**‘Scheme’**).

The purpose of the Scheme is Reduction of Equity Share Capital under the provisions of Section 66 and other applicable provisions of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for Reduction of share capital of the Company) Rules, 2016 to undertake financial restructuring and reconstruction of the Company whereby the Company would write off major part of total carried forward accumulated losses of past years by reduction of its paid-up equity shares capital, so as to give a true and realistic view of the value of the shares and present liner balance sheet of the Company. This has given rise to the need to re-adjust the relation between capital and assets and reflect the liabilities and assets of the Company accurately and fairly in its books of accounts and also to operate with a leaner base balance sheet.

PARTS OF THE SCHEME OF REDUCTION OF SHARE CAPITAL:

The Scheme is divided into the following paragraphs

1. **PART 1** - which deals with the Definitions and Interpretations;
2. **PART 2** - which deals with details of the Company (including its capital structure);
3. **PART 3** - which deals with reduction of share capital of the Company; and
4. **PART 4** - which deals with the General Clause, other Terms and Conditions

PART 1 — DEFINITIONS AND INTERPRETATIONS

1.1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as mentioned herein below:

- a. “**Accumulated Losses**” shall mean the losses that have been brought forward from previous years and having such amount as shown in the Audited Standalone Financials of the Company as on March 31, 2023;
- b. “**Act**” or “**the Act**” means the Companies Act, 2013 and shall include any rules, regulations, orders, statutory modifications, enactments or re—enactments thereof for the time being in force;
- c. “**Applicable Laws**” means any relevant statute, notification, by—laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority, having the force of law and as applicable to the Company;

- d. **“the Company”** or **“SCBL”** means SAPTAK CHEM AND BUSINESS LIMITED, being a Company incorporated on 12th March, 1980 under the provisions of the Companies Act, 1956. The Corporate Identification Number (CIN) of the Company is L24299GJ1980PLC101976 and currently its registered office is situated at 201 Chiranjiv Complex, Mahalaxmi Five Road, Paldi, Ahmedabad, Gujarat, 380007;
- e. **“Board”** or **“Board of Directors”** means Board of Directors of the Company including any duly constituted committee(s) thereof;
- f. **“BSE”** shall mean BSE Limited;
- g. **“Effective Date”** means the date on which the certified copy of the order of the National Company Law Tribunal, Ahmedabad Bench under Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable), is filed with the Registrar of Companies, Gujarat. Any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or “Scheme coming into effect" shall mean the "Effective Date";
- h. **“Equity Shares”** means fully paid-up equity shares of Rs. 10/- each issued by the Company;
- i. **“Listing Agreement”** shall mean an agreement that is entered into between a recognized Stock Exchange and an entity, on the application of that entity to the recognized stock exchange, undertaking to comply with conditions for listing of designated securities as per the provisions of the Listing Regulations;
- j. **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- k. **“NCLT or “Tribunal”** means National Company Law Tribunal, Ahmedabad Bench as constituted and authorized as per the provisions of the Act.;
- l. **“Record Date”** shall mean the date to be fixed by the Board of Directors of the Company for reckoning the shareholding of the equity shareholders which shall be reduced upon coming into effect of this Scheme;
- m. **“ROC”** means Registrar of Companies, Gujarat;
- n. **“Rules”** means National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016;
- o. **“Scheme”** or **“this Scheme”** or **“the Scheme”** means the present Scheme of Reduction of Share Capital between the Company and its Shareholder in its present form or with such alterations(s)/modification(s) as may be approved, imposed or directed by NCLT;
- p. **“SEBI”** means Securities and Exchange Board of India;
- q. **“SEBI Circular”**-means SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR /2023 /93 dated June 20, 2023 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- r. **“Shareholders”** or **“the Shareholder”** means a person registered (whether registered owner of the shares or the beneficial owner of shares) as holders of the equity share capital in the Register of members of the Company. The word “Shareholder” and / or “Member”, wherever mentioned, are used to denote the same meaning and are used interchangeably;
- s. **“Stock Exchange”** means the stock Exchange where the equity shares of the Company are listed and admitted to trading i.e. BSE Limited.

All terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, Securities Contract (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992, Depositories Act, 1996, Listing Regulations, Listing Agreement or other Applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory amendment, modification or re-enactment thereof, from time to time.

1.2 INTERPRETATION

In this Scheme, unless the context otherwise requires:

- a. references to “persons” shall include individuals, bodies corporate (wherever incorporated), government, state or agency of state, un-incorporated entities, joint venture, associations, partnerships and proprietorship;
- b. heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;
- c. reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme; references to one gender includes all genders;

- d. any phrase introduced by the terms “including, include, in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; words denoting singular shall include the plural and vice versa;
- e. reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.
- f. reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- g. word(s) or expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;
- h. unless otherwise defined, the reference to the word "days" shall mean calendar days; and
- i. references to dates and times shall be construed to be references to Indian dates and times.

PART 2 — DETAILS OF THE COMPANY

2.1 INCORPORATION OF THE COMPANY

The Company was incorporated as a limited Company under the name and style “**Munak Chemicals Limited**” on March 12, 1980 with the Registrar of Companies, Chandigarh under the Companies Act, 1956. Subsequently, Company has changed its name and consequently, name was changed to “**Saptak Chem and Business Limited**” pursuant to fresh certificate of incorporation issued by the Registrar of Companies, Chandigarh on October 25, 2017.

The Registered Office of the Company, currently situated at 201 Chiranjiv Complex, Mahalaxmi Five Road, Paldi, Ahmedabad, Gujarat, 380007. The Corporate Identification Number (CIN) of the Company is L24299GJ1980PLC101976.

The Equity shares of Company is listed on BSE Limited (BSE).

This Scheme of reduction of Share Capital (hereinafter referred to as “**the Scheme**”) is made pursuant to the provisions of Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable) and provides for writing off the Accumulated Losses against the share capital Account.

2.2 MAIN OBJECTS OF THE COMPANY

The main objects of the Company as set out in the Memorandum of Association are as follows:

- a) To carry on the business of manufactures, importers, exporters and dealers in all kinds of organic and inorganic chemicals and chemical products of every nature and description and compounds, intermediate derivatives and by-products thereof and products to be made therefrom including specifically silicates, caustic soda, soda ash, acids, such as Phosphoric Acid, Hydrochloric Acid, Sulphuric Acid, Nitric Acid etc. ether, ethyl chloride, plastics, resins, dye-stuffs, food-direct colors, basic and rapid fast colors, pigments, products derived from phosphate mines, lime stone quarries, bauxite mines and other natural deposits useful or suitable in the manufacturing of chemicals and chemical products.
- b) To carry on the business of manufactures, importers, exporters and dealers in all types of fertilizers both granulated and non-granulated such as single-super- phosphate Ferric Alumina, Ammonium Sulphate potash etc.
- c) To carry on the business of chemists, analytical chemists, dry salters’ oils and colorless, water proofing founders and factors of ferrous and non-ferrous metals, smiths and metal washers, painters, metallurgists and gas-makers.
- d) To carry on the business of manufactures, importers, exporters and dealers in all kinds of instruments, appliances, devices and tools used in or in connection with any business of Company and all motors, machinery, mechanical, electrical and scientific apparatus and devices of every description connected therewith.
- e) To adopt and carry into effect so far as the Company is concerned the promotional agreement dated 05th March, 1980 including any modification thereof made between Agriculture Sales Corporation Patiala through their authorised partners Sh. Ravinder Kumar s/o Sh Mukand Lal Azad and Smt. Nirmal Gupta w/o Sh. Rajeshwar Kumar Gupta residents of Dharampur Bazar Patiala of the one part and Sh. R.K. Garg s/o Sh. Hans Raj Garg resident of Kothi No. 763 Sector 8-B Chandigarh of the other part and also to adopt and/or enter into and carry into effect technical and/or advisory and/or service agreement with any other person or persons complementary and/or supplementary to the said promotional agreement made or to be made with such modifications as may be agreed upon and as may be necessary for carrying out of the Objects of the Company .

- f) To lend, lease, sell, import, export or otherwise deal in technical know-how of the Company against consideration in money or money's worth and/or against royalty receipts or lumpsum considerations in money's worth.

2.3 CAPITAL STRUCTURE OF THE COMPANY

The Capital Structure of the Company as per the Audited Standalone financial statements as on March 31, 2023 is as under:

Particulars	Amount in Rs.
Authorized Share Capital 1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000
Total	11,00,00,000
Issued & Subscribed Capital 1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720
Total	10,73,22,720
Paid-up Share Capital 1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720
Total	10,73,22,720

There is no subsequent change in capital structure of the Company as on date of filing of this Scheme subsequent to 31.03.2023 and upto the date of approval by the Board of Directors of the Company, there has been no change in the Authorized, Issued, subscribed and paid-up share capital of the Company. The Company does not have any partly paid—up Equity Shares. Further, the Company has its Equity- Shares listed on BSE.

2.4 COMPLIANCE WITH TAX LAWS

The Scheme has been drawn up to comply with the provisions of the Income-tax Act, 1961 to the extent applicable. If any terms or the provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the Act at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to that extent determined necessary to comply with the provisions of the Income-tax Act, 1961.

2.5 FINANCIALS OF THE COMPANY

Particulars	Financial Year ended March 31, 2022 (Amount in Rs.)	Financial Year ended March 31, 2023 (Amount in Rs.)
Total Current Assets	70,23,557	102,58,288
Total Current Liability	84,56,229	80,85,878
Reserve & Surplus	(12,87,39,110)	(12,86,80,868)

2.6 PROMOTERS AND DIRECTORS

- a. The names of the promoters of the Company as on the date of approval, along with their addresses are set forth below:

Sr. No.	Name	Promoter / Promoter Group	Address
1	Rita Garg	Promoter	House No. 115 sector 9 B, Chandigarh Sector 9, Chandigarh 160009
2	Alpha Antibiotics Limited	Promoter	House No 74, Sector 7 Panchkula Distt, Ambala, Haryana 134109
3	Munak Engineers Pvt. Ltd.	Promoter	House No. 115 sector 9 B Chandigarh, U T, Chandigarh, India, 160009
4	Keshoram Leasing Ltd	Promoter	House No. 115 Sector 9 B Chandigarh, U T, Chandigarh, India, 160009

- b. The names of the directors of the Company as on the date of approval of the Scheme along with their addresses are set

forth below:

Sr. No.	Name of Director	DIN	Designation	Address
1	Manthan Rajeshbhai Bhavsar	05208214	Managing Director	24, Mahechha Society, Isanpur, Ahmedabad – 382443, Gujarat
2	Rohitkumar Parikh	07394964	Managing Director	F/2, Shakuntala Apartment, Opposite ITI College, Prabha Road, Godhra, Panch Mahals 389001
3	Sonal Deepalbhai Gandhi	08196966	Non – Executive, Independent Director	B/88 Ghanshyam Nagar, Canal Road, Ghodasar, Ahmedabad, Gujarat 380050
4	Bhoomiben Patel	07351479	Non – Executive, Independent Director	A-10, ashapuri flats, opp. State bank of India, Jivrajpark, Ahmedabad, Gujarat - 380051
5	Chirag Kirtikumar Nanavati	08316893	Non – Executive, Independent Director	48, Rajmani Society, Makarpura, Vadodara, Guajrat-390014

2.7 OTHER DISCLOSURES

- No investigations or proceedings have been instituted and are pending against the Company under the Act.
- The Company has not accepted any deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, the Company is not in arrears with respect to repayment of any deposits or interest thereon, as on the date of filing of this Scheme.
- The Scheme will not have any adverse effect on any directors, key managerial personnel, promoters, non-promoter members, creditors and employees of the Company. The Company does not have any depositors and debenture holders. The Scheme will be in the best interest of all the stakeholders of the Company.
- The benefits of the Scheme to the Company and its respective members, creditors and employees, as perceived by the Board, are mentioned in this Scheme.

PART 3 — REDUCTION OF SHARE CAPITAL OF THE COMPANY

3.1 RATIONALE AND PURPOSE OF THE REDUCTION

- The Company's financial statement currently reflects Accumulated Losses (debit balance of Profit & Loss Account) to the tune of Rs. 12,86,80,868 (Rupees Twelve Crores Eighty-Six Lakhs Eighty Thousand Eight Hundred and Sixty-Eight Only) based on Audited Standalone financial Statements for the year ended March 31, 2023. The present issued, subscribed and paid-up share capital of the Company is Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lacs Twenty-Two Thousand Seven Hundred Twenty only) comprising of 1,07,32,272 Equity Shares of Rs.10/- each. Accumulated Losses have substantially wiped off the value represented by the Share Capital.
- In order to re-align the relation between capital and assets; and to accurately and fairly reflect the assets and liabilities of the Company in its books of accounts; and for better presentation of the financial position of the Company, the Board of Directors has decided to write off the Accumulated Losses against Share Capital in accordance with the provisions of Sections 66 of the Companies Act, 2013, and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions.
- In such circumstances, it is desired that the capital structure of the Company should be reorganized. Hence, the Board of Directors has decided that accumulated losses should be written-off to maximum possible extent, i.e. the Paid-up Equity Shares Capital of the Company be reduced by Rs. 9,65,90,450.
- In the above context, the Company proposes to write off Accumulated Losses of Rs.9,65,90,450 (Rupees Nine Crores Sixty-Five Lakh Ninety Thousand Four Hundred Fifty Only) reflecting in the Audited Standalone financial statements of the Company as on March 31, 2023 with the share capital of the Company.
- By virtue of article 06 of Articles of Association of the Company, the Company is authorized to reduce its share capital in any manner and in accordance with the provisions of the Act.
- The reduction envisaged under this Scheme will not result in any change in the shareholding of the Members of the Company and would not in any way have any adverse effect on the Company's ability to honour its commitments or meet its obligations in the ordinary course of business.

- g. The proposed reduction of the equity share capital of the Company would not have any adverse effect on the creditors of the Company or the Company's ability to full fill its commitments or meet its obligations in the ordinary course of business.
- h. The Scheme does not provide any cash pay out to affect the Reduction of Capital, therefore the scheme will not adversely affect the liquidity and/or financial position of the Company.
- i. The company has historically incurred losses and has accumulated a debit balance in its Profit and Loss Account; representing legitimate business expenses and operational losses incurred by the company in the ordinary course of its business over a period of time; Since, this Scheme of capital reduction aims to streamline the company's capital structure, enhance financial efficiency, and improve its overall financial health, therefore, it is hereby justified that the debit balance existing in the Profit and Loss Account as of is a result of prudent business decisions, operational requirements.
- j. Hence, the Board of Directors believe that in order to present a fair position of the affairs of the Company, the most practically and economically efficient option available to the Company, subject to the confirmations/sanction as of the requisite majority of the Shareholders of the Company and the NCLT and such other appropriate authority, as may be applicable.

3.2 OBJECTS/ BENEFITS ARISING OUT OF THE SCHEME –

- a. Under this Scheme, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.
- b. The adjustment would not have any impact on the shareholding pattern and the capital structure of the Company.
- c. The proposed restructuring under the Scheme, if approved, would enable the Company to explore opportunities for the benefit of its Shareholders, including the form of dividend payments, in terms of the applicable laws.
- d. The Scheme, if approved, may enable the Company to explore opportunities that it was unable to take advantage of because of it experiencing Accumulated Losses.
- e. The Scheme of reduction, after full implementation, will result in making the Company's balance sheet leaner and downsized. The proposed Scheme would be for the overall benefit of the Company, its creditors, its Shareholders and all other stakeholders.
- f. The reduction of the Paid—up share capital of the Company by way of adjustment/set off of the Accumulated Losses against the paid-up share capital of the Company. It does not result in extinguishing of any liability or diminution of any liability.
- g. The Scheme, if approved, would provide greater flexibility to the Company in raising funds either from the capital market or from any bank/ financial institutions in the form of equity or debt, depending on the business needs of the Company.
- h. The reduction of capital in the manner proposed would enable the Company to have commensurate with its remaining business and assets.
- i. The proposed reduction will be for the benefit of the and its Company shareholders, creditors and all concerned as whole.
- j. The reflection of the true financial statement of the Company would ensure the Company to attract a new source of revenue.
- k. The Scheme will enable the Company to overcome its financial difficulties and improve its work in the future and in turn enhancement of its shareholder's value.
- l. The financial structuring will help the Company to reflect better its operational efficiency, and improvements in the future years and reflect the true share value.
- m. The consent of the Shareholders of the Company to this Scheme of reduction of Share Capital of the Company shall be taken through a resolution under the provisions of Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable).
- n. The Scheme is merely a reduction in the Share Capital of the Company prepared in terms of Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable) and does not envisage transfer, conveyance or vesting of any of the properties and/ or liabilities of the Company to any person or entity.

- o. Consequently, the order of NCLT approving the scheme would not attract any stamp duty in this regard under the applicable provisions of the Indian Stamp Act, 1899 or the Bombay Stamp Act, 1958 applicable to the State of Gujarat.

3.3 APPROVAL OF THE EQUITY SHAREHOLDERS

The scheme is required to be approved by the equity shareholders of the Company, by way of special resolution, pursuant Section 66 of the Companies Act, 2013, through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution.

3.4 EFFECTS OF THE SCHEME

- a. The Company has incurred Rs.12,86,80,868 (Rupees Twelve Crores Eighty-Six Lakh Eighty Thousand Eight Hundred and Sixty-Eight Only) accumulated losses as per the last audited balance sheet i.e. as on 31st March, 2023.
- b. Upon the Scheme becomes effective and after obtaining the necessary approvals, consent, permissions, the Subscribed, Issued and Paid -up Equity Share capital of the Company shall stand reduced from Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The aforesaid reduction of paid-up equity share capital shall be affected by cancelling 96,59,045 equity shares of the Company.
- c. For the sake of brevity, it is clarified that the reduction of capital does not involve diminution of any liability in respect of unpaid capital of the Company, if any and nor is there any payment on the reduction of share capital. No additional amount shall be called from any of the existing shareholders after capital reduction.
- d. The scheme does not involve any conveyance or transfer of any property of the Company and consequently the order of the Hon'ble National.
- e. Upon this Scheme becoming effective, the Company shall, without any further application, act, instrument or deed, give effect to the Capital Reduction and the revised structure of the share capital of the Company shall be reflected in the books of accounts of the Company in the following manner as on the effective date.
- f. Pre - Post Reduction Capital Structure of the Company is as under:

Particulars	Pre-Reduction (Rs.)	Particulars	Post Reduction (Rs.)
Authorized Share Capital		Authorized Share Capital	
1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000	1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000
Total	11,00,00,000	Total	11,00,00,000
Issued & Subscribed Capital		Issued & Subscribed Capital	
1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720	10,73,227 equity shares of Rs. 10/- each	1,07,32,270
Total	10,73,22,720		1,07,32,270
Paid-up Share Capital 1,07,32,272 Equity Shares of Rs. 10/- each	10,73,22,720	Paid-up Share Capital 10,73,227 equity shares of Rs. 10/- each	1,07,32,270
Total	10,73,22,720		1,07,32,270

- g. The Pre and Post Reduction Shareholding pattern of the Company will be as follows:

Category	Pre - Scheme (Equity Shares of Rs. 10 each)		Post Scheme (Equity Shares of Rs. 10 each)	
	No. Shares	Percentage	No. Shares	Percentage
Promoter	17,50,000	16.31	1,75,000	16.31
Public	89,82,272	83.69	8,98,227	83.69
TOTAL	1,07,32,272	100	10,73,227	100

- h. Upon the scheme coming into effect, with the above reduction of the equity share capital of the Company in accordance with the above clause the existing 1,07,32,272 Equity Shares of Rupees 10/- each shall be reduced to 10,73,227 Equity Shares of Rupees 10/- each fully paid up. Consequently, every shareholder of the Company whose name appear on the register of members on the Record date shall be issued 10 (Ten) equity shares of face value of Rs. 10/- (Rupees Ten) fully paid up for every 100 (Hundred) equity shares of held Rs. 10/- (Rupees Ten) fully paid up by Shareholders in the Company as on the Record Date.
- i. No shareholder shall be entitled to a fraction of a share and all fractional entitlements resulting from the consolidation shall be aggregated to into whole shares and the number of shares so arising shall be held by the Trust/Trustee appointed by the Board who shall dispose – off the said shares in the market at the best available price within 90 days from the date of allotment of shares in one or more lots. The trustee shall severally hold the net sale proceeds of all such shares after deducting that from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the company in proportion to their fractional entitlements.
- j. The Company shall be empowered to advise the depository participant of the shareholders holding shares in the dematerialized form, on the record date, about the information of shareholding arising out of capital reduction pursuant to this scheme, for substitution thereof or in lieu of the certificate of the equity shares held by them before such capital reduction.
- k. Those equity shareholders of the Company who continue to hold their shares in physical form as on Record date shall be issued and delivered fresh share certificate consequent upon the reorganization of capital irrespective of whether such equity shareholders surrender their old share certificate or not. Their original share certificate shall be deemed to be cancelled and non -usable and non-tradable on any stock exchange or otherwise from and after the record date. The stock exchange shall also be intimated, on the Record date of the non- tradability of the original share certificate so that they can intimate their Company's members by public notice displayed on the Notice Board and through electronic means.
- l. The Scheme is only for reduction of Share Capital of the Company and it does not envisage transferor vesting of any properties and /or liabilities to or in favor of the Company. The percentage of shareholding pattern of the Company shall remain unchanged.
- m. The proposed reduction of Paid-up Share Capital of the Company by way of writing off the Accumulated losses against the share capital of the Company will be for the benefit of the Company, its creditors, Shareholders and all the concerned stakeholders. Such reduction will not cause any prejudice to the creditors of the Company. It does not involve either the diminution of any liability in respect of any unpaid capital or the payment to the Shareholder of the paid-up capital. Further, the proposed reduction of capital would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honor its commitments or pay its debts in the ordinary course of the business.
- n. The Company shall not be required to use the words “AND REDUCED” as part of its corporate name and such use is dispensed with.

PART 4 — GENERAL CLAUSE, OTHER TERMS AND CONDITIONS/ CONDITIONA-LITY OF THE SCHEME

4.1 CONDITIONALITY OF THE SCHEME

The scheme is conditional upon and subject to:

- a. The Scheme being approved by the Shareholders of the Company through special resolution;
- b. The Scheme being approved by the creditors of the Company, if any, as prescribed under the Act and/or as may be directed by NCLT and/or any other appropriate authority as may be applicable;
- c. The Company to obtain the no-objection letter from the BSE Limited for the implementation of the Scheme;
- d. The Scheme being approved by the NCLT under Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013(to the extent applicable);
- e. Certified copy of the order of the NCLT sanctioning this Scheme and the form of minutes of reduction being filed with the ROC by the Company; and
- f. The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

4.2 COSTS, CHARGES AND EXPENSES

All past, present and future costs, charges, levies, duties and expenses in relation to or in connection with or incidental to the proposed Scheme of reduction of share capital and of carrying out and implementing/complementing thereof shall be borne and paid solely by the Company and all above costs shall be treated as costs relating to the Scheme.

4.3 IMPACT OF THE SCHEME ON EMPLOYEES

The Scheme shall not have any adverse impact on the employees of the Company. All staff, workmen and other employees in the service of the Company immediately before the capital reduction shall stay as staff, workmen and employees of the Company after the capital reduction.

Their service shall be continuous and shall not be interrupted by reason of this capital reduction. The terms and conditions of service applicable to the said staff, workmen or employees after such capital reduction shall not in any way be less favorable to them than those applicable to them immediately before the capital reduction.

4.4 IMPACT OF THE SCHEME ON CREDITORS/LENDERS/ FINANCIAL INSTITUTIONS

The proposed scheme would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or pay the debts in ordinary course of business. The above proposal, does not in any manner, alter, vary, or affect the rights of the creditors/ lenders/ financial institutions. They would in fact be generally benefitted as the Scheme would help improving the financial position of the Company.

The proposed reduction in capital in any manner whatsoever does not, alter, vary, or affect the payment of any types of dues or outstanding amounts including all or any of the statutory dues payable-or outstanding.

4.5 CONTRACTS, DEEDS, AGREEMENTS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, Deeds, Agreements and other instruments of whatever nature to which the Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favor of the Company, as the case may be, and shall be enforced as fully and as effectually as before such reduction.

4.6 CONDUCT OF BUSINESS BY THE COMPANY

The Scheme does not involve any financial outlay / outgo and therefore, would not affect the ability or liquidity of the Company to meet its obligations/ commitments in the normal course of business. Further, this Scheme would also not in any way adversely affect the ordinary operations of the Company during the course or after the approval of reduction of capital.

4.7 LEGAL PROCEEDINGS

If any suit, writ petition, appeal, revision or other proceedings of whatever nature by or against the Company are pending, the same shall not abate, be discontinued or be in any way prejudicially affected by the capital reduction, but such proceedings may be continued, prosecuted and enforced by or against the Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Company - before such capital reduction.

4.8 APPLICATION TO THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

This involves reduction of share capital as contemplated by Article 6 of the Articles of Association of the Company. The

Company shall make all applications / petitions to the National Company Law Tribunal (NCLT), Ahmedabad Bench for sanctioning of this Scheme and obtain all approvals as may be required under Section 66 of the Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable) are to be sought as a measure of legal compliance, transparency, prudence and extra caution.

4.9 MODIFICATIONS/AMENDMENTS TO THE SCHEME

The Company, by its Board or such other committee/ person or persons, as the Board may authorize, may make, or affect or assent to any modification or amendment of the Scheme which the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the SEBI, the Stock Exchange and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable by the Board for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected herewith, and may be considered by the Board to be in the best-interest of the Company -and its Shareholders including the withdrawal of the Scheme, and do all such acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme.

4.10 DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) hereto approved or imposed or directed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, shall be effective from the Effective Date.

4.11 SEVERABILITY

If, in the opinion of the Board, any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not affect the validity or implementation of other parts or provisions of the Scheme. If any part of this Scheme hereof is invalid, ruled illegal by any appropriate authority of competent jurisdiction, or unenforceable under present or future laws, then such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse, in which case the Board shall attempt to bring a suitable modification to the Scheme. The Board shall be entitled to revoke, cancel and declare the Scheme to have no effect, if the Board is of the view that the coming into effect of the Scheme would have adverse implications on the Company.

4.12 ACCOUNTING TREATMENT

The Company shall pass appropriate entries as per the applicable accounting policies and accounting standards (specified in section 133 or any other provision of the Act) as regards accounting for the reduction of Capital and writing off the Accumulated Losses. Upon the Scheme becoming effective, Reduction of Capital with Company will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be.

Following are the salient features of the accounting treatment to be given immediately upon Scheme getting into effect:-

Upon reduction of Capital, the total issued and paid-up Equity Share Capital of the Company shall be reduced from Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The debit balance of the Profit & Loss Account of the Company will be written off to the extent of the amount of the aforesaid reduction of share capital. Any amount left after writing off the debit balance of the Profit & Loss Account/ negative balance of Reserves and Surplus will remain "as it is", in the books of the Company.

The adjustment / reduction, in the capital shall be effected as an integral part of the Scheme in accordance with the provisions of Section 66 and other applicable provisions of the Act and the order of the National Company Law Tribunal sanctioning the Scheme shall be deemed to be also the order under section 66 of the Act for the purpose of confirming the

reduction and no further act, deed, or thing as required under the provisions of the Act would be required. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid—up share capital.

4.13 DESIGNATED STOCK EXCHANGE

Since the equity share of the Company listed on the BSE Limited only, therefore, the designated stock exchange for interaction with SEBI in terms of SEBI Circular shall be BSE Limited.

4.14 LISTING OF SHARES

Notwithstanding the reduction of capital of the Company in pursuance of the Scheme, the listing benefit of the Company on the Stock Exchange where the existing Equity shares of the Company are listed shall continue and the Company will comply with the applicable provision of Listing Agreement with the Stock Exchange.

4.15 MINUTE:

The Form of Minute proposed to be registered under Section 66(5) of the Act and Rule 6(2) of the Rules is as follows:

The Issued, Subscribed and Paid-up equity capital of Saptak Chem and Business Limited shall stand reduced from Rs. 10,73,22,720 (Rupees Ten Crores Seventy-Three Lakh Twenty-Two Thousand Seven Hundred Twenty Only) divided into 1,07,32,272 (One Crore Seven Lakhs Thirty-Two Thousand Two Hundred Seventy-Two Only) equity shares of Rs. 10.00 each, (Rupees Ten Only) each to Rs. 1,07,32,270 (Rupees One Crore Seven Lakh Thirty-Two Thousand Two Hundred Seventy Only) divided into 10,73,227 (Ten Lakh Seventy-Three Thousand Two Hundred Twenty-Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

4.16 EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

In the event of any of the aforesaid sanctions and approvals not being obtained and/ or the Scheme not being sanctioned by the National Company Law Tribunal and/ or the order or orders not being passed as aforesaid, the Scheme shall become null and void, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and the Company shall bear and pay the costs, charges and expenses for or in connection with the Scheme.

4.17 CONDUCT OF BUSINESS:

Nothing contained in the Scheme shall affect the conduct of the business of the Company and for any deeds, bonds, contracts, agreements and any other instruments to which the Company is a Party and/ or any legal or other proceedings by or against the Company.

For Saptak Chem and Business Limited

Sd/-

Rohitkumar Parikh

Managing Director

DIN: 07394964

Date: 19/01/2024

Place: Ahmedabad

DCS/AMAL/AK/R37/3160/2024-25

May 02, 2024

The Company Secretary,
Saptak Chem And Business Ltd.
 201 Chiranjiv Complex,
 Mahalaxmi Five Road, Paldi,
 Ahmedabad, Gujarat, 380007

Dear Sir,

Sub: Observation letter regarding the Scheme of reduction of Share Capital between Saptak Chem and Business Limited and its Shareholders

We are in receipt of the Scheme of reduction of Share Capital between Saptak Chem and Business Limited and its Shareholders filed Saptak Chem And Business Ltd as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS_DivI/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated April 30, 2024 has inter alia given the following comment(s) on the draft scheme of reduction:

- a. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the scheme shall duly comply with the various provisions of the circular and ensure that all the liabilities of the Transferor Company are transferred to Transferee Company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice to shareholders."
- h. "The Companies are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the

company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.

- Details of (pre & post scheme) Assets and Liabilities Saptak
- Capital buildup of company since inception
- Reasons for accumulated losses and details of loss buildup of company for last % financial years
- Exact amount of loss to be carried forward after the proposed reduction of share capital.
- Rationale and synergies of the scheme and its impact on the public shareholders

The clause 3.3 of the scheme shall be modified to provide (i) a detailed list of alterations to be made in the Memorandum and Article of Association of the company and (i) a detailed list of applicable provision under any other applicable laws, rules and regulations , in respect of the proposed reduction of share capital.”

- “Company shall ensure that the proposed equity shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”
- “Company is advised that the ‘Scheme’ shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”
- “No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
- “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

The company shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

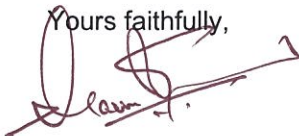
Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



Manu Thomas
Additional General Manager



Tanmayi Lele
Assistant Manager

DIRECTOR'S REPORT

To
The Members,
Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)
CIN: L24299GJ1980PLC101976

Your, Directors took pleasure in presenting the **45th Annual Report** of the Company together with the Audited Statements of Accounts for the financial year ended March 31, 2024.

1) FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year figures is given hereunder:

Particulars	(Amt in Lacs)	
	Year Ended 31.03.2024	Year Ended 31.03.2023
Gross Sales/Income	0.00	8.39
Profit Before depreciation & tax	(3.48)	0.60
Less Depreciation	0.00	0.01
Profit/(Loss) before Tax	(3.48)	0.59
Taxes/Deferred Taxes	-	-
Profit/(Loss) After Taxes	(3.48)	(1287.39)
P& L Balance b/f	(3.48)	(1286.81)

2) BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:

During the year under review, even in the mid of sluggish market condition, the company has incurred as loss of 3.48 lacs and against net profit of 0.59 Lacs in the previous financial year 2022-23.

3) CHANGE IN THE NATURE OF BUSINESS:

The Company is engaged in the business of trading of Chemical and Agriculture Produce. There was no change in the nature of the business of the Company during the year under review.

4) DIVIDEND:

The Company has not declared any dividend for the year under review.

5) TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The company does not have any amount which is required to be transferred to the Investor Education and Protection Fund (IEPF).

6) TRANSFER TO RESERVES:

The loss of Rs. 3.48 lacs incurred during the financial year 2023-2024. Hence, no amount has been transferred to the General Reserve.

7) CHANGES IN SHARE CAPITAL:

The Issued, Subscribed and Paid-up Equity Share Capital as on March 31, 2024 was Rs.107,322,720/-

During the year under review, the company has not changed its capital.

A) Issue of equity shares with differential rights:

During the year under review, the Company has not issued any shares with differential voting rights.

B) Issue of sweat equity shares:

During the year under review, the Company has not issued any sweat equity shares.

C) Issue of employee stock options:

During the year under review, the Company has not issued any sweat equity shares.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, the details under rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

8) FINANCE:

The Company has not borrowed loan from any Banks or Financial Institutions during the year under review.

9) DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT:

The Company does not have any shares in the Demat suspense account or Unclaimed suspense account. Hence, Disclosures with respect to Demat suspense account or Unclaimed suspense account are not required to be mentioned here.

10) MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a) Key Managerial Personnel:

The following are the Key Managerial Personnels of the Company as at 31st March, 2024:

Name	Designation
Mr. Rohitkumar Parikh	Managing Director
Mr. Manthan Bhavsar	Managing Director
Mr. Ganesh Thakor	Chief Financial Officer
Mrs. Meera Panchal	Company Secretary

b) Director:

The following are the Directors of the Company as at 31st March, 2024:

Name	Designation
Mr. Rohitkumar Parikh	Managing Director
Mr. Manthan Bhavsar	Managing Director
Mr. Chirag Nanavati	Independent Director
Ms. Bhoomiben Patel	Independent Director
Mrs. Sonal Gandhi	Independent Director

c) Appointment/Re-appointment

During the year under review, Mr. Manthan Bhavsar (DIN: 05208214), Managing Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. Moreover,

appointment of Additional Director, Mrs. Bhoomiben Patel (DIN: 08316893), has been regularized at the Annual General Meeting held on September 16, 2023. Further, appointment of Additional Director, Mrs. Sonal Gandhi (DIN: 07351479), has been regularized at the Annual General Meeting held on September 16, 2023. Furthermore, appointment of Additional Executive Director, Mr. Rohitkumar Parikh (DIN: 07394964), was regularized by postal ballot dated, February 29th, 2024. Lastly, Mr. Rohitkumar Parikh (DIN: 07394964) was appointed as Managing Director of the Company by the shareholders with effect from February 29th, 2024.

d) Changes in Directors and Key Managerial Personnel

During the year under review the following Directors and Key Managerial Personnel were appointed and resigned:

Name and Designation	Designation	Date of Appointment	Date of Resignation
Mr. Hiten Manilal Shah*	Independent Director	--	18/08/2023
Mrs. Rima Nanavati@	Independent Director	--	18/08/2023
Mr. Jitendra Sharma&	Chief Financial Officer	--	02/11/2023
Mr. Rohitkumar Parikh^	Independent Director	--	19/01/2024
Ms. Bhoomi Patel§	Independent Director	18/08/2023	--
Mrs. Sonal Gandhi**	Independent Director	18/08/2023	--
Mr. Ganesh Thakor#	Chief Financial Officer	02/11/2023	--
Mr. Rohitkumar Parikh^^	Managing Director	19/01/2024	--

*Resignation of Mr. Hiten Manilal Shah as an Independent Director of the Company, with effect from August 18, 2023

@Resignation of Mrs. Rima Nanavati as an Independent Director of the Company, with effect from August 18, 2023.

&Resignation of Mr. Jitendra Sharma as Chief Financial Officer of the Company, with effect from November 02, 2023.

^Resignation of Mr. Rohitkumar Parikh as an Independent Director of the Company, with effect from January 19, 2024

§Appointment of Mrs. Bhoomiben Patel (DIN: 08316893) as an Additional (Non-Executive Independent) Director of the Company with effect from, August 18, 2023.

**Appointment of Mrs. Sonal Gandhi (DIN: 07351479) as an Additional (Non-Executive Independent) Director of the Company with effect from, August 18, 2023.

#Appointment of Mr. Ganesh Thakor as a Chief Financial Officer of the Company, with effect from November 02, 2023.

^^Appointment of Mr. Rohitkumar Parikh as a Managing Director of the Company, with effect from January 19, 2024.

11) NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

The meetings of the Board of Directors are held at periodical intervals and are generally at the registered office of the Company, Ahmedabad. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the year 2023-24, 09 (nine) Board Meetings were convened and duly held on:

24/04/2023	18/05/2023	21/06/2023
13/07/2023	18/08/2023	19/08/2023
02/11/2023	19/01/2024	27/01/2024

The Independent Directors' Meeting was held on March 28, 2024.

12) STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

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

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

13) REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have Subsidiaries, Associate and Joint Venture Companies. Hence, details for the same are not required to be mentioned here.

14) CHANGE OF NAME:

The Company has not changed its name during the year under review.

15) STATUTORY AUDITORS:

In terms of Section 139 of the Companies Act, 2013, M/s Aniket Goyal & Associates, Chartered Accountants, Ahmedabad (Membership No.-423707, FRN:022331C) were appointed as the Statutory Auditors of the company by the board of directors of the Company in a duly convened board meeting held on 19th January, 2024 to hold office upto the conclusion of the next Annual General Meeting to be held in 2024 and that they shall conduct the Statutory Audit for the financial year ending on 31st March, 2024 at a remuneration as may be decided by the shareholders of the Company. Its appointment has been confirmed by shareholders by way of special resolution passed via postal ballot on 29th February, 2024.

Further, CA Sanket Shah (Membership No. 150873), Statutory Auditor resigned during the year with effect from January 19, 2024 due to severe health issues.

Furthermore, M/s. Meet Shah & Associates., Chartered Accountants, Ahmedabad (Firm Registration No.: 169259) has been appointed by the Board of Directors at their meeting held on May 29, 2024 as Statutory Auditors of the Company to hold the office from the conclusion of the 45th Annual General Meeting until the conclusion of the 48th Annual General Meeting of the Company to be held in the year 2027 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, in place of M/s. Aniket Goyal & Associates, Chartered Accountants, (Firm's Registration No. 022331C), the retiring statutory auditors. The Board further recommends the appointment of M/s. Meet Shah & Associates., Chartered Accountants, Ahmedabad (Firm Registration No.: 169259) to the shareholders.

16) COST AUDITORS:

The Company is not require to appoint the Cost Auditors pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, since, the said provisions and rules of cost audit is not applicable to the Company.

17) SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Rupal Patel Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as “Annexure -A”.

Reply to the qualification Remarks in Secretarial Audit Report:

1. Though the Company has not published notice for Financial Results, as required under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the company has uploaded the same on Website of the company and also submitted to BSE Limited.

18) RESPONSE TO AUDITOR’S REMARKS:

There were no qualifications, reservations or adverse remarks made by Auditors in their respective reports. Observation made by the Statutory Auditors in their Report are self-explanatory and therefore, do not call for any further comments under section 134(3)(f) of the Companies Act, 2013.

19) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year under review, the company retained external audit firm to review its existing internal control system with a view of tighten the same and introduce system of self certification by all the process owners to ensure that internal controls over all the key business processes are operative. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

20) AUDIT COMMITTEE:

In accordance with the provisions of section 177 of the Companies Act, 2013, the Board of Directors has constituted the Audit Committee of the Company for reviewing of quarterly, half-yearly and annual financial statements before submission to the Board, ensure compliance of internal control systems and internal audit, timely payment of statutory dues and other matters.

During the year under review, the Audit Committee met 4 (four) times during the year on 24/04/2023, 13/07/2023, 02/11/2023 and 19/01/2024. The composition of committee and attendance at its meetings is given below:

Sr. No.	Name	Position	Category	Number of meetings attended	Changes during the year and till the date of AGM	
					Appointment	Resign
1	Mr. Chirag Nanavati	Chairman	Non-Executive Independent Director	4	--	--
5	Ms. Bhoomiben	Member	Non-Executive	2	18/08/2023	--

	Patel		Independent Director			
6	Mrs. Sonal Gandhi	Member	Non-Executive Independent Director	2	18/08/2023	--

All the recommendations made by the Audit Committee were considered and accepted by the Board.

21) VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.saptakchem.com>.

22) NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the company have constituted a Nomination & Remuneration Committee of Directors mainly for the purposes of recommending the Company's policy on Remuneration for the Managing/Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of key management personnel.

The Nomination & Remuneration Committee consisted of 3 (Three) Directors. During the year, 05 (five) committee meetings were held during the year on 13/07/2023, 18/08/2023, 19/08/2023 02/11/2023 and 19/01/2024. The Attendance of Members at meetings was as under:

Sr. No.	Name	Position	Category	Number of meeting attended	Changes during the year and till the date of AGM	
					Appointment	Resign
1	Mr. Chirag Nanavati	Chairman	Non-Executive Independent Director	5	--	--
5	Ms. Bhoomiben Patel	Member	Non-Executive Independent Director	4	18/08/2023	--
6	Mrs. Sonal Gandhi	Member	Non-Executive Independent Director	4	18/08/2023	--

The Board has, on the recommendation of the Nomination and Remuneration Committee, as per the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration has recommended the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The Remuneration Policy is also available on the Company's website at <http://www.saptakchem.com>.

23) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee consisted of 3 Directors. During the year under review, 4 meetings of the committee were held on 07/04/2023, 10/07/2023, 11/10/2023 and 04/01/2024. The name of members, Chairman and their attendance at the Stakeholders Relationship Committee are as under Committee of Board:

Sr. No.	Name	Position	Category	Number of meetings attended	Changes during the year and till the date of AGM	
					Appointment	Resign
1	Mr. Chirag Nanavati	Chairman	Non-Executive Independent Director	4	--	--

5	Ms. Bhoomiben Patel	Member	Non-Executive Independent Director	2	18/08/2023	--
6	Mrs. Sonal Gandhi	Member	Non-Executive Independent Director	2	18/08/2023	--

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions (as on March 31, 2024 is given below): -

Complaints Status: 01.04.2023 to 31.03.2024	
Number of complaints received during the year	07
Number of complaints solved	07
Number of pending complaints	00

Compliance Officer:

Mrs. Meera Panchal, Compliance Officer of the company for the purpose of complying with various provisions of Securities and Exchange Board of India (SEBI), Listing Agreement with Stock Exchanges, Registrar of Companies and for monitoring the share transfer process etc.

a) Share Transfer System:

Requests for dematerialization of physical shares are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the Members.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2020 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company.

b) Dematerialization of shares and liquidity:

Details of Registrar and Share Transfer Agent of the Company for dematerialization of shares:

Name	:	MCS Share Transfer Agent Limited
Address	:	201, Shatdal Complex, 2 nd Floor, Opp.Bata Show Room, Ashram Rd, Shreyas Colony, Ahmedabad, Gujarat 380009,
Tel	:	079 2658 0461
Email	:	mcsstaahmd@gmail.com

24) STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Risk management is embedded in your company's operating framework. Your company believes that managing risk helps in maximizing returns. The company's approach to addressing business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

Commodity Price Risks

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking, Inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigation the impact the impact of price risk on finished goods.

Regulatory Risks

The company is exposed to risks attached to various statues and regulations including the company Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

Human Resources Risks

Retaining the existing talent pool and attracting new talent are major risks. The company has initialed various measures including rolling out strategic talent management system, training and integration of learning and development activities.

Strategic Risks

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risk faced by the company. However, the company has well-defined processes and procedures for obtaining approvals for investments in new business and capacity expansion etc.

25) EXTRACT OF ANNUAL RETURN:

Pursuant to Sub-section 3(a) of Section 134 and Sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the copy of the Draft Annual Return of the Company for the Financial Year ended on 31 March 2024 in Form MGT-7 is uploaded on website of the Company and can be accessed at www.saptakchem.com

26) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

The company has made an application to BSE Limited (“Designated Stock Exchange”) for Reduction of Capital which was duly approved by it’s Audit Committee and the Board of Directors in their meeting held on January 19, 2024.

BSE Limited in it’s observation letter dated May 02, 2024 has approved the said application with “no adverse objection” to the Scheme of Capital Reduction.

27) 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 is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company’s operations in future during the year under review.

28) DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has adequate and proper internal financial controls with reference to the Financial Statements during the year under review.

29) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

No related party transaction has been entered into during the financial year. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

30) PUBLIC DEPOSIT:

During the year under review the Company has not accepted any deposits to which the provisions of section 73, 74 of the Companies Act, 2013 read with Acceptance of Deposits Rules, 2014 as amended are applicable.

31) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

No loans, guarantees or investment under Section 186 of the Companies Act, 2013 have been given by the company during the year under review.

32) CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Company has been proactive in the following principles and practices of good corporate governance. A report in line with the requirements of Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report on Management Discussion and Analysis and the Corporate Governance practices followed by the Company and the Auditors Certificate on Compliance of mandatory requirements are given as an “Annexure B & C” respectively to this report.

Your Company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.

As per 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Corporate Governance Report, Management Discussion and Analysis and the Auditor’s Certificate regarding compliance of conditions of Corporate Governance are attached separately and form part of the Annual Report.

33) PARTICULARS OF EMPLOYEES & EMPLOYEE REMUNERATION:

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as “Annexure- D” to the Board’s report.

None of the employees of the Company drew remuneration of Rs. 1,02,00,000/- or more per annum and Rs.8,50,000/- or more per month during the year. No employee was in receipt of remuneration during the year or part thereof which, in the aggregate, at a rate which is in excess of the remuneration drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. Hence, no information is required to be furnished as required under Rule, 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

34) EMPLOYEE RELATIONS:

Employee relations throughout the Company were harmonious. The Board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the Company’s vision and strategy to deliver good performance.

35) DETAIL OF FRAUD AS PER AUDITORS REPORT:

There is no fraud in the Company during the Financial Year ended 31st March, 2024. This is also being supported by the Independent Auditor’s Report submitted by the Statutory Auditors of the Company stating that as no fraud has been reported for the financial year ending 31st March, 2024.

36) OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

During the financial year 2023-24, the company has not received any complaints on sexual harassment and hence no complaints are pending as on 31st March, 2024.

37) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is Nil.

38) CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the company and the Company does not fall under Category of Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

39) DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

40) SECRETARIAL STANDARDS:

The Director's State that applicable Secretarial Standards i.e., SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and General Meetings', respectively, have been duly followed by the Company for the year review.

41) LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2023-2024 to BSE where the Company's Shares are listed.

42) PREVENTION OF INSIDER TRADING:

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulation, 2015 which came into effect

from May, 2015. Pursuant thereto, the Company has formulated and adopted a new code for Prevention of Insider Trading.

The New Code viz. “Code of Internal Procedures and Conduct for regulating, monitoring and reporting of Trading by Insiders” and “Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information” has been framed and adopted. The Code requires pre-clearance for dealing in the Company’s shares and prohibits purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company is Responsible for implementation of the Code.

43) ACKNOWLEDGEMENTS:

The management is grateful to the Government Authorities, Bankers, Vendors for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

Date: 29/05/2024
Place: Ahmedabad

By Order of the Board of Directors
For Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)

Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964

Sd/-
Sonal Gandhi
Director
DIN: 07351479

Sd/-
Meera Panchal
Company Secretary

**SECRETARIAL AUDIT REPORT
FORM MR-3**

FOR THE FINANCIAL YEAR ENDED March 31, 2024

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

To,
The Members,
Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)
(CIN: L24299GJ1980PLC101976)
201 Chiranjiv Complex Mahalaxmi Five Road Paldi
Ahmadabad-380007, Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Saptak Chem and Business Limited (Formerly known as Munak Chemicals Limited)** (hereinafter called "the company") for the audit period covering the financial year ended on March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2024, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956, to the extent it is applicable.
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

I have also examined compliance of the following to the extent applicable:

- (i). Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (effective from 01st July, 2015); under the provisions of Companies Act, 2013; and

I have relied upon the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under applicable Acts, Laws and Regulations to the Company, as identified and confirmed by the management of the company. According to Representation letter, acts applicable to the Company are all General Laws such Direct and Indirect Taxation related, Labor Laws and other incidental laws of respective States.

On the basis of my examination and representation made by the Company, I report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and there are no material non-compliances that have come to my knowledge except non-compliance in respect of:

- a) The Company has not published notice of meeting of the board of directors where financial results shall be discussed and financial results, as required under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I Further Report that, there were no actions/ events in pursuance of:

- a) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- b) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- c) Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018;
- d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Requiring compliance thereof by the Company during the period under review

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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

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 there were no specific events / actions having a major bearing on the company's affairs.

Date: 29.05.2024

Place: Mumbai

Sd/-

Name of Practicing Company Secretary: Rupal Patel

C. P. No.: 3803

M. No.: F6275

UDIN: F006275F000493135

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

To,
The Members,
Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)
3, Mohan Chamber, Beside Post Office,
Dakor Kheda- 388225, Gujarat.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. 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 Accounts 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, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 29.05.2024
Place: Mumbai

Sd/-
Name of Practicing Company Secretary: Rupal Patel
C. P. No.: 3803
M. No.: F6275
UDIN: F006275F000493135

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1) INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Fertilizer Industry has been adversely affected due to the adverse Policies of Govt. of India, as a result thereof; margins have been under pressure due to withdrawal of subsidy. The most of the fertilizer plants in India are lying closed. The development of the industry wholly depends upon the policies of Govt. of India. Your Company has been engaged in the trading of chemical on retail basis. The Indian chemical industry is among the most diversified industrial sectors and includes basic chemicals and its products, petrochemicals, fertilizers, paints, gases, pharmaceuticals, dyes, etc. In terms of volume of production, it is the twelfth-largest in the world and the third-largest in Asia. Despite a growth in domestic manufacturing capacity India remained a net importer of chemicals as capacity addition lagged demand growth and with certain chemical imports being cheaper than those produced within the country.

2) OPPORTUNITIES AND THREATS:

The opportunities are explored to diversify in other areas i.e., agricultural produce as the SSP Fertilizer in India is facing threat from low demand on one side and withdrawal of subsidy by Govt. on the other side. As such other business opportunities are being looked into. The Company have been trying hard to re-enter into the market in the sluggish trend and unpredictable impact of pandemic COVID-19. The Company has also penetrated into the agricultural market on very small scale. The Company is committed to measure and quantify impact of the business operations of the Company after initiation of full-fledged business operation in the coming financial year.

3) SEGMENT-WISE PERFORMANCE:

The Company has identified its activities as single segment. Hence, the Company's performance is to be viewed as a single segment Company operating in retail trading of agricultural produce.

4) RECENT TREND AND FUTURE OUTLOOK:

So far as agricultural is concerned, the future can become promising, if overall recessionary trend gets change due to various reasons.

5) RISK AND CONCERNS:

The company has already closed the SSP operation and struggling to stay in the chemical market.

6) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has proper and adequate system of Internal Control in order to ensure that all transactions are authorized, recorded and reported correctly. Regular internal audit checks are carried out to ensure that adequate systems are in place. The management continuously reviews the Internal Control systems and procedures to ensure orderly and efficient conduct of business. The emphasis of Internal Control prevails across functions and processes covering the entire activities of the company.

7) FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Other matters such as operational and financial performance have been discussed under the respective heads in the Directors' Reports.

8) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT:

Our employees continue to be the backbone of our organization. Our efforts are towards instilling a level of competency in the work force. The human resource has to be more dynamic and result oriented in the present-day business environment.

9) FINANCIAL PERFORMANCE:

The Company has diversified its business activities and at the verge of achieving better financial performance. The Company has successfully implemented various operational excellence programs designed with the help of external consultants so as to optimize on cost and delivery commitments. The Company's cash flow position as at the yearend continues to remain strong. Increased liquidity has strengthened the Company's confidence for launching new growth initiatives for the existing and emerging businesses of construction.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof, including:

Sr. No.	Financial Ratio	Year ended	
		31.03.2024	31.03.2023
1.	Debtors Turnover	0.00	0.00
2.	Inventory Turnover	0.00	0.00
3.	Interest Coverage Ratio	--	--
4.	Current Ratio	0.07	0.28
5.	Debt Equity Ratio	0.00	0.00
6.	Operating Profit Margin (%)	0.00	7.03
7.	Net Profit Margin (%)	0.00	7.03

10) CAUTIONARY STATEMENT:

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

**For Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)**

**Date: 29/05/2024
Place: Ahmedabad**

**Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964**

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report for the Financial Year 2023-24, which forms part of the Directors' Report, is prepared in accordance with Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

This Report is in compliance with the Listing Regulations. Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large.

Your Company is committed to the highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable, with regard to Corporate Governance.

A report on compliance with the implementation of Regulation 34(3) read with Chapter IV and Schedule V to the Listing Regulations is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner, which is not illegal or involves moral hazard.

Our Company perceives good corporate governance practices as key to sustainable corporate growth and long-term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation.

The Company has a three-tier governance structure:

- **Strategic supervision:** The Board of Directors occupies the topmost tier in the governance structure. It plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders' aspirations.
- **Strategic management:** The Executive Committee is composed of the senior management of the Company and operates upon the directions of the Board.
- **Executive management:** The function of the Management Committee is to execute realize the goals that are laid down by the Board and the Executive Committee.

2. BOARD OF DIRECTORS:

2.1 Composition of the Board:

The Board of Directors comprises optimum combination of directors including of One Executive and Three Non-Executive Independent Directors. Mr. Manthan Bhavsar is the Managing Director of the Company and he conducts the day-to-day management of the Company, subject to the supervision and control of the Board of Directors. The independent directors on the Board are senior, competent and highly respected persons from their receptive fields. The following is the Composition of the Board on **March 31, 2024** are as follows:

Sr. No.	Name of Director	Category	No. of Directorship(s) held in other Indian public & private Limited Companies	Committee(s) position (Including this company)	
				Member	Chairman
1	Mr. Manthan Bhavsar	Managing Director	0	0	0
2	Mr. Chirag Nanavati	Independent Director	2	6	3
3	Mrs. Sonal Gandhi	Independent Director	3	6	3
4	Ms. Bhoomiben Patel	Independent Director	4	9	6
5	Mr. Rohit Parikh	Managing Director	1	0	0

2.2 The Board has identified the following skills/expertise/competencies with reference to its Business for the effective functioning of the Company and which are currently available with the Board:

Name of the Director	Skills/Expertise/Competencies
Mr. Manthan Bhavsar	Finance, Marketing, Management
Mr. Chirag Nanavati	Management Reporting and Observation
Mrs. Sonal Gandhi	Management Reporting and Observation
Ms. Bhoomiben Patel	Management Reporting and Observation
Mr. Rohit Parikh	Management Reporting and Observation

2.3 Board Agenda:

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board Member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board Members generally at proper length in advance. In addition, for any business exigencies the resolutions are passed by circulation and later places at the subsequent Board or Committee Meeting for ratification/approval. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

Invitees & Proceedings:

The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues.

Support and Role of Compliance Officer:

The Compliance officer is responsible for convening the Board and Committee meetings, preparation and distribution of agenda and other documents and recording of the minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management.

2.4 Meetings and Attendance:

During the year, the Board of Directors met 9 (Nine) times on 24/04/2023, 18/05/2023, 21/06/2023, 13/07/2023, 18/08/2023, 19/08/2023, 02/11/2023, 19/01/2024 and 27/01/2024. The gap between two Board Meetings was within the maximum time gap prescribed in SEBI (LODR) Regulations, 2015. The Attendance of Directors at these Board Meetings and at the last Annual General Meeting was as under:

S.N.	Name of Director	No. of Board Meetings held during the period when the Director was on the Board	No. of Meetings Attended	Attendance at the last AGM held on 16/09/2024
1	Mr. Manthan Bhavsar	9	9	Yes
2	Mr. Chirag Nanavati	9	9	Yes
3	Mrs. Sonal Gandhi	5	5	Yes
4	Ms. Bhoomiben Patel	5	5	Yes
5	Mr. Rohit Parikh	2	2	No

2.5 Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision-making process at the Board with different points of view and experiences and prevents conflict of interest in the decision-making process.

None of the Independent Directors serves as “Independent Directors” in more than seven listed companies.

The Board of Directors have confirmed that the Independent Directors fulfill the conditions specified under SEBI (LODR) Regulations, 2015 and are independent of the management.

During the year under review, the Independent Directors met on March 28, 2024, *interalia*:

- To review the performance of the Non-Independent Directors (Executive Directors);
- To review the performance of the Board of the Company as a whole;
- To review the performance of Chairman of the Company taking into account the views of Executive Directors on the same;
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

They expressed satisfaction at the robustness of the evaluation process, the Board’s freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

2.6 Disclosure of relationships between the Directors inter-se:

There is no relationship between the Directors inter-se.

2.7 Number of shares and convertible instruments held by Non-Executive Directors:

- None of the Non-Executive Directors of the Company held shares of the Company.
- During the year under review, the Company has not issued any Convertible Instruments.

2.8 Familiarization Programme for Independent Director:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarization program. The Programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarization Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

The details of familiarization program imparted to Independent Directors is also posted on the Company’s Website at www.saptakchem.com

2.9 Code of Conduct for Directors and Senior Management Personnel:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

2.10 Prohibition of Insider Trading Code:

During the year, the Company has amended the Code of Conduct for Prohibition of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and also formulated Policy on procedures to be followed while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The amended codes viz. “Code of Conduct for Prohibition of Insider Trading” and the “Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information” allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company’s shares. It also prohibits the purchase or sale of Company’s shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

2.11 Committees of the Board:

The Board of Directors has constituted 3 Committees of the Board viz.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders’ Relationship Committee

3. AUDIT COMMITTEE:

The Audit Committee of the Company comprises of 03 members and all the 3 members are Non-Executive Independent Directors. The Committee members are professionals having requisite experience in the fields of Finance and Accounts, Banking and Management. Mr. Chirag Nanavati, Non-Executive Independent Director is a Chairman of the Committee.

3.1 Terms of reference of the committee inter alia, include the following:

1. Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors’ report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;

- g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2 Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-regulation (1) of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of sub-Regulation (7) of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015."

3.3 The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 04 (Four) Audit Committee Meetings were held on 24/04/2023, 13/07/2023, 02/11/2023 and 19/01/2024. The Attendance of Members at meetings was as under:

Sr. No.	Name	Position	Category	Number of meetings attended	Changes during the year and till the date of AGM	
					Appointment	Resign
1	Mr. Chirag Nanavati	Chairman	Non-Executive Independent Director	4	--	--
2	Ms. Bhoomiben Patel*	Member	Non-Executive Independent Director	2	18/08/2023	--
3	Mrs. Sonal Gandhi*	Member	Non-Executive Independent Director	2	18/08/2023	--

*The Audit Committee has been reconstituted w.e.f. August 19, 2023.

The representatives of Internal and Statutory Auditors were invitees to Audit Committee meetings.

4. **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the company comprises of 3 members and all the 3 members are Non-Executive Independent Directors. Mr. Chirag Nanavati, Non-Executive Independent Director is a Chairman of the Committee.

During the year, 05 (five) committee meetings were held during the year on 13/07/2023, 18/08/2023, 19/08/2023 02/11/2023 and 19/01/2024. The Attendance of Members at meetings was as under:

Sr. No.	Name	Position	Category	Number of meetings attended	Changes during the year and till the date of AGM	
					Appointment	Resign
1	Mr. Chirag Nanavati	Chairman	Non-Executive Independent Director	5	--	--
2	Ms. Bhoomiben Patel*	Member	Non-Executive Independent Director	4	18/08/2023	--
3	Mrs. Sonal Gandhi*	Member	Non-Executive Independent Director	4	18/08/2023	--

*The Nomination and Remuneration Committee has been reconstituted w.e.f. August 19, 2023.

4.1 The terms of reference of the Committee inter alia, include the following:

Nomination of Directors / Key Managerial Personnel / Senior Management

- To evaluate and recommend the composition of the Board of Directors;
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
- To consider and recommend to the Board, appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
- Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
- To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director;
- To review HR Policies and Initiatives.

Remuneration of Directors / Key Managerial Personnel / Senior Management/ other Employees

- a) Evolve the principles, criteria and basis of Remuneration Policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, senior management and other employees of the Company and to review the same from time to time;
- b) The Committee shall, while formulating the policy, ensure the following:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Note: Senior Management for the above purpose shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and comprising all members of management one level below the Chief Executive Officer/Managing Director/Whole time Director/Manager and shall specifically include Company Secretary and Chief Financial Officer.

4.2 Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

4.3 Remuneration of Directors:

Remuneration of Managing Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company.

The remuneration of Non-Executive Directors is determined by the Board and is also approved by the Shareholders in General Meeting.

No sitting fees have been paid to any Non-Executive Directors.

Details of remuneration to all Directors for the Financial Year 2023-24 are as under:

(Amount in lacs)

S.N.	Name of Director	Salary	Perquisites & Allowances	Retirement & Leave Benefits	Sitting Fees	Commission/ Bonus	Stock Option
1	Mr. Chirag Nanavati	-	-	-	-	-	-
2	Mrs. Sonal Gandhi	-	-	-	-	-	-
3	Mr. Manthan Bhavsar	-	-	-	-	-	-
4	Mr. Rohitkumar Parikh	-	-	-	-	-	-
5	Ms. Bhoomiben Patel	-	-	-	-	-	-

None of the Directors of the company / Key managerial Personnel had any pecuniary relationship with the Company during the year.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The Company has not issued any stock option during the year under review.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee comprises of 3 members and all the Members are Non-Executive Independent Directors. Mr. Chirag Nanavati, Non-Executive Independent Director has been appointed as a Chairman of the Committee.

5.1 The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 04 (Four) Committee Meetings were held on 07/04/2023, 10/07/2023, 11/10/2023 and 04/01/2024. The Attendance of Members at meetings was as under:

Sr. No.	Name	Position	Category	Number of meeting Attend	Changes during the year and till the date of AGM	
					Appointment	Resign
1	Mr. Chirag Nanavati	Chairman	Non-Executive Independent Director	4	--	--
2	Ms. Bhoomiben Patel*	Member	Non-Executive Independent Director	2	18/08/2023	--
3	Mrs. Sonal Gandhi*	Member	Non-Executive Independent Director	2	18/08/2023	--

*The Stakeholders' Relationship Committee has been reconstituted w.e.f. August 19, 2023.

5.2 Name and Designation of Compliance Officer:

Mrs. Meera Panchal, Company Secretary and Compliance Officer of the company.

5.3 Details of Complaints / Queries received and redressed during April 01, 2023 to March 31, 2024 are as follows:

Number of shareholders' Complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending the end of the year
Nil	07	07	Nil

All the complaints/ queries have been redressed to the satisfaction of the complainants and no shareholders' complaint/ query was pending at the end of the year.

6. INFORMATION ON GENERAL BODY MEETINGS:

6.1 The last 3 Annual General Meetings of the Company were held as under:

sDate	Time	Venue
16 th September, 2023	11:00 AM (IST)	3, Mohan Chamber, Beside Post Office, Dakor, Kheda-388225
20 th July, 2022	11:00 AM (IST)	3, Mohan Chamber, Beside Post Office, Dakor, Kheda-388225
29 th September, 2021	12.00 Noon (IST)	3, Mohan Chamber, Beside Post Office, Dakor, Kheda-388225

6.2 Special Resolutions passed in the last 3 Annual General Meetings:

Financial Year	Date	Subject matter of Special Resolutions
2022-23	16-09-2023	No special resolution was passed
2021-22	20-07-2022	No special resolution was passed
2020-21	29-09-2021	No special resolution was passed

6.3 Extraordinary General Meeting (EGM):

No Extra Ordinary General Meeting through postal ballot was held during the financial year under review.

6.4 Details of Special Resolution Passed through Postal Ballot, the person who conducted the Postal Ballot Exercise and details of the voting pattern:

Postal Ballot dated 21st June, 2023

S.N.	Description of the Resolution (s) Passed through Postal Ballot
1	Shifting of Registered Office of the Company
2	To approve the increase in borrowing powers in excess of the Paid-up Share Capital, Free Reserves and Securities Premium of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013
3	To give loans or to give guarantees or to provide securities in connection with the loan made to any other body corporate or person or to make investments under section 186 of the Companies Act, 2013.
4	Adoption of new articles of association of the company containing regulation in conformity with Companies Act, 2013

The Board of Directors had appointed Mrs. Rupal Patel (Membership No. FCS 6275, CP No. 3803), Practicing Company Secretary, as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Tuesday, May 23, 2023 at 9.00 a.m. (IST) and ended on Wednesday, June 21, 2023 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Friday, June 23, 2023.

The details of e-voting including voting by ballot paper on the aforementioned resolution(s) are provided hereunder

Description of the Resolution	Votes in favor of the Resolution (s)			Votes against the Resolution(s)			Invalid Vote	
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
Shifting of Registered Office of the Company	38	25,45,088	100.00	Nil	Nil	Nil	Nil	Nil
Adoption of new articles of association of the company containing regulation in conformity with Companies Act, 2013	38	25,45,088	100.00	Nil	Nil	Nil	Nil	Nil
To give loans or to give guarantees or to provide securities in connection with the loan made to any other body corporate or person or to make investments under section 186 of the Companies Act, 2013.	38	25,45,088	100.00	Nil	Nil	Nil	Nil	Nil
To approve the increase in borrowing powers in excess of the Paid-up Share Capital, Free Reserves and Securities Premium of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013	38	25,45,088	100.00	Nil	Nil	Nil	Nil	Nil

The above Resolution(s) were passed with requisite majority

Postal Ballot dated 29th February, 2024

S.N.	Description of the Resolution (s) Passed through Postal Ballot
1	To appoint M/s Aniket Goyal & Associates, Chartered Accountants (Firm Registration No. 022331C) as the Statutory Auditor of the Company to fill the casual vacancy caused by resignation of Mr. Sanket Shah, till the date of next Annual General Meeting to be held in calendar year 2024.
2	Regularization of Appointment of Additional Executive Director, Mr. Rohitkumar Parikh (DIN: 07394964), by appointing him as Executive Director of the Company
3	Appointment of Mr. Rohitkumar Parikh (DIN: 07394964) as Managing Director of the Company

The Board of Directors had appointed Mrs. Rupal Patel (Membership No. FCS 6275, CP No. 3803), Practicing Company Secretary, as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Wednesday, January 31, 2024 at 9.00 a.m. (IST) and ended

on Thursday, February 29, 2024 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Saturday, March 02, 2024.

The details of e-voting including voting by ballot paper on the aforementioned resolution(s) are provided hereunder

Description of the Resolution	Votes in favor of the Resolution (s)			Votes against the Resolution(s)			Invalid Votes	
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
To appoint M/s Aniket Goyal & Associates, Chartered Accountants (Firm Registration No. 022331C) as the Statutory Auditor of the Company to fill the casual vacancy caused by resignation of Mr. Sanket Shah, till the date of next Annual General Meeting to be held in calendar year 2024.	39	18,15,244	100.00	Nil	Nil	Nil	Nil	Nil
Regularization of Appointment of Additional Executive Director, Mr. Rohitkumar Parikh (DIN: 07394964), by appointing him as Executive Director of the Company	39	18,15,244	100.00	Nil	Nil	Nils	Nil	Nil
Appointment of Mr. Rohitkumar Parikh (DIN: 07394964) as Managing Director of the Company	39	18,15,244	100.00	Nil	Nil	Nils	Nil	Nil

The above Resolution(s) were passed with requisite majority

Procedure for Postal Ballot:

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and Circular No. 20/2021 dated December 8, 2021, issued by the Ministry of Corporate Affairs.

7. MEANS OF COMMUNICATION:

- i. **Quarterly results:** The Company's quarterly / half yearly / annual financial results are sent to the Stock Exchanges and Local English and Vernacular language newspapers and are simultaneously displayed on its website (www.saptakchem.com).
- ii. **Media Releases:** Official media releases are sent to Stock Exchanges and are displayed on the Company's website (www.saptakchem.com).
- iii. **Website:** The Company's website (www.saptakchem.com) contains a separate dedicated section "Investor Relations" where shareholders' information is available. The Company's Annual Report is also available in a downloadable form.
- iv. **Annual Report:** The Annual Report containing, inter-alia, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Directors' Report in the Annual Report. The Annual Report is displayed on the Company's website (www.saptakchem.com).
- v. **BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints among others, are also filed electronically on the Listing Centre.
- vi. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

The Management Discussions and Analysis Report forms part of the Directors Report and is given separately.

8. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting:

Date	June 27, 2024
Day	Saturday
Time	11:30 A.M. (IST)
Mode	Video Conferencing (VC)

a. Financial Calendar (Tentative):

The Financial Year of the Company is for a period of 12 months from April 01, 2024 to March 31, 2025

First quarter results	Second week of July, 2024
Second quarter results	First week of November, 2024
Third quarter results	Third week of January, 2025
Fourth quarter results / Year end results	Last week of May, 2025

b. Book Closure: June 21, 2024 to June 27, 2024 (both days inclusive)

c. Listing on Stock Exchanges:

The names and addresses of the Stock Exchanges at which the equity shares of the Company are listed and the respective stock codes are as under:

S.N.	Name of Stock Exchanges	Stock Code
1.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	BSE – 506906

d. Market Price Data:

High and low during each month in the (2023-24) financial year on the Stock Exchanges:

Month	BSE		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April – 2023	3.3	2.52	61209.46	58793.08
May – 2023	3.15	2.47	63036.12	61002.17
June – 2023	3.64	2.53	64768.58	62359.14
July – 2023	2.81	2.2	67619.17	64836.16
August – 2023	2.71	1.9	66658.12	64723.63
September -2023	2.36	1.56	67927.23	64818.37
October -2023	2.72	2.1	66592.16	63092.98
November – 2023	3.44	2.2	67069.89	63550.46
December – 2023	3.45	2.72	72484.34	67149.07
January – 2024	3.48	2.47	73427.59	70001.6
February – 2024	4.43	2.67	73413.93	70809.84
March – 2024	5.37	3.43	74245.17	71674.42

e. Registrar And Transfer Agent:

M/S. MCS Share Transfer Agent Limited.

Add 01: 383 Lake Gardens, 1st Floor, Kolkata 700045

Add 02: 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380009

Tele. No.: 033-40724051, 079 26582878

Fax No.: 033-40724050

E-mail: mcssta@rediffmail.com, mcsashmd@gmail.com

f. Share Transfer System:

Applications for transfer of shares held in physical form are received at the office of the Registrars & Share Transfer Agents of the Company. All valid transfers are processed and registered within stipulated time.

Shares held in dematerialized form are electronically traded through the Depositories.

Requests for dematerialization of physical shares are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the Members.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2020 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company.

g. Shareholding Pattern as on March 31, 2024:

Category of Shareholders	No. of Shareholders	No. of Shares	% of Total Shares
Promoter & Promoter Group	2	17,50,000	16.31
Public-Institutions	6	3,21,580	3.00
Public-Individual	10,334	80,79,275	75.27
Bodies Corporate	56	5,22,367	4.87
NRI	54	59,050	0.55
HUF	Nil	Nil	Nil
Shares underlying DRs	Nil	Nil	Nil
Shares held by Employee Trusts	Nil	Nil	Nil
Total Shareholding	10,452	1,07,32,272	100

h. Distribution of Equity Shareholding as on March 31, 2024:

Category	Number of Shareholders	Percentage of shareholder (%)	Number of Shares	Percentage of shareholding (%)
1- 500	9,539	91.26	10,51,908	9.8014
501-1000	367	3.51	3,15,140	2.9364
1001- 2000	169	1.61	2,66,528	2.4834
2001- 3000	75	0.71	1,96,531	1.8312
3001- 4000	51	0.48	1,83,730	1.7119
4001- 5000	49	0.46	2,34,803	2.1878
5001- 10000	79	0.75	5,94,604	5.5403
10001-50000	90	0.86	20,48,049	19.0831
50001-100000	17	0.16	12,31,914	11.4786
Above 100000	16	0.15	46,09,065	42.9458
TOTAL	10452	100	1,07,32,272	100

i. Dematerialization of shares and liquidity:

Particulars of Equity holding	Equity Shares of Rs. 10/- each	
	Number of shares	Percentage of total shares
NSDL	17,09,601	15.93
CDSL	64,30,851	59.92
Physical form	25,91,820	24.15
Total	1,07,32,272	100

j. Outstanding GDRs / ADRs / Warrants or any convertible instruments and conversion date and likely impact on equity:

There were no outstanding GDRs / ADRs / Warrants or any convertible instruments as at March 31, 2024.

k. Commodity price risk or foreign exchange risk and hedging activities: Not Applicable
l. Unclaimed Dividend: Not Applicable

Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit the prescribed Form SH-13 for this purpose. Shareholders may write to the Secretarial Department of the Company for a copy of the Form.

m. Credit Ratings:

No credit ratings obtained by the Company during the relevant financial year for any debt instruments, fixed deposit programme, any scheme or proposal, involving mobilization of funds, whether in India or abroad.

n. Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrar and Transfer Agent of the Company:

Saptak Chem And Business Limited	MCS Share Transfer Agent Limited
201 Chiranjiv Complex Mahalaxmi Five Road Paldi Ahmadabad City Ahmedabad-380007, Gujarat	Add 01: 383 Lake Gardens, 1st Floor, Kolkata 700045 Add: 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009
Tele. No.: 079-48484095	Tele. No.: 033-40724051, 079 26582878
CIN: L24299GJ1980PLC101976	Fax No.: 033-40724050
Email: munakchem1980@gmail.com	Email: mcssta@rediffmail.com
Website: www.saptakchem.com	Website: mcsashmd@gmail.com

9. OTHER DISCLOSURES:

9.1 There are no materially significant transactions with the related party's viz. promoters, directors or the management or their relatives or subsidiaries etc. that had potential conflict with the company's interest. Suitable disclosure as required by the Indian Accounting Standard has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's Website at www.saptakchem.com

9.2 Transactions with related parties are disclosed in detail in Note No. 3 (A) "Notes to the Financial Statement" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

9.3 There are no pecuniary relationships or transactions of Non-executive Directors vis-à-vis the Company which has potential conflict with the interests of the company at large.

9.4 No Strictures or penalties have been imposed on the company by the Stock Exchanges or by the Security Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

9.5 The Company has formed the policy for determining material subsidiary as required by Regulation 16 of the SEBI (LODR) Regulations, 2015 and the same is disclosed on the Company's website. The web link is www.saptakchem.com

9.6 Vigil Mechanism:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulations, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle Blower Policy may be accessed on the

Company's website at the link: www.saptakchem.com

No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue.

9.7 The minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of Listing Regulations is complied with to the extent possible.

9.8 Certification from Company Secretary in Practice:

The Company has obtained a certificate from Practicing Company Secretary as required under the SEBI (LODR) Regulations, 2015, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

9.9 Complaints pertaining to Sexual Harassment:

During the year, the Company has received 0 (zero) complaint pertaining to sexual harassment.

9.10 Details of total fees paid to Statutory Auditors:

Details relating to fees paid to the Statutory Auditors are given in Note to the Standalone Financial Statements.

9.11 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

During the year, the Company has fully complied with the mandatory requirements as stipulated under SEBI (LODR) Regulations, 2015.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the SEBI (LODR) Regulations, 2015, is provided below:

- a) **The Board:** The Chairman of the Company is Executive Director.
- b) **Shareholder Rights:** Half-yearly and other Quarterly financial statements are uploaded on company's website www.saptakchem.com
- c) **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.
- d) **Chairperson and Chief Executive Officer:** Mr. Manthan Bhavsar and Mr. Rohitkumar Parikh are the Managing Directors of the Company.
- e) **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

The above Report was placed before the Board at its meeting held on May 29, 2024 and the same was approved.

**For Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)**

**Place: Ahmedabad
Date: 29/05/2024**

**Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964**

DECLARATION

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Saptak Chem and Business Limited, Code of Business Conduct and Ethics for the year ended March 31, 2024.

Pursuant to the above, the Company has received 'Affirmation of Compliance' from the Board Members and the Senior Managerial Personnel of the Company and accordingly, I make the following declaration: -

I, Rohitkumar Parikh, Managing Director of Saptak Chem and Business Limited, hereby declare that all Board Members and the Senior Management Personnel of the Company, have affirmed compliance of the Code of Conduct during the Financial Year 2023-24.

Place: Ahmedabad
Date: 29/05/2024

For Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)
Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964

CEO/CFO CERTIFICATE

We the undersigned, in our respective capacities as Chief Financial Officer of Saptak Chem and Business Limited (“the Company”) to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2023-24 which are fraudulent, illegal or violative of the Company’s code of conduct;
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee –
 - Significant changes in internal control over the financial reporting during the year 2023-24;
 - Significant changes in accounting policies during the year 2023-24 and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over the financial reporting.

Place: Ahmedabad
Date: 29/05/2024

For Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)

Sd/-
Ganesh Thakor
Chief Financial Officer

CERTIFICATE ON FINANCIAL STATEMENTS

To,
The Members,
Saptak Chem And Business Limited
(Formerly Known as Munak Chemicals Limited)

We have hereby certify that:

1. We have reviewed the financial statements and the cash flow statements of Saptak Chem and Business Limited for the financial year 2023-24 and to the best of our knowledge and belief, we state that:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a) significant changes in internal control over financing reporting during the year;
 - b) significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - c) That there were no instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

Place: Ahmedabad
Date: 29/05/2024

For Saptak Chem and Business Limited
(Formerly known as Munak Chemicals Limited)

Sd/-
Ganesh Thakor
Chief Financial Officer

Sd/-
Rohitkumar Parikh
Managing Director
DIN: 07394964

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Saptak Chem And Business Limited having CIN: L24299GJ1980PLC101976 having registered office at 201 Chiranjiv Complex Mahalaxmi Five Road Paldi, Ahmadabad-380007, Gujarat (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my/our 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 & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

S.NO	NAME OF THE DIRECTOR	DIN	DATE OF APPOINTMENT
1	Mr. Manthan Bhavsar	05208214	31/12/2016
2	Mr. Chirag Nanavati	08196966	09/08/2018
3	Mrs. Rima Nanavati	08196967	09/08/2018
4	Mr. Hiten Manilal Shah	09520190	28/09/2022

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

Place: Ahmedabad
 Date: 01/06/2024

Rupal Patel
Practicing Company Secretary
CP No. 3803
FCS No: 6275
UDIN: F006275F000516191

PARTICULARS OF EMPLOYEE

(i) INFORMATION AS PER RULE 5(1) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Remuneration paid to whole-time directors

Name of the Director and KMP	Designation	Ratio of remuneration of each Director / KMP to the Median Remuneration of Employees	Percentage increase in Remuneration in the Financial year 2023-24
Mr Manthan Bhavsar	Managing Director	-	0
Mr. Chirag Nanavati	Independent Director	-	0
Mr. Rohitkumar Parikh	Independent Director	-	0
Mr. Ganesh Thakor	CFO	-	0
Mrs. Meera Panchal	Company Secretary and Compliance officer	1:1	0
Mrs. Sonal Gandhi	Independent Director	-	0
Mrs. Bhoomiben Patel	Independent Director	-	0

Note:

- (i) Percentage increase in remuneration indicates annual total compensation increase, as recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors of the Company.
- (ii) The percentage increase in the median remuneration of employees in the financial year 2023-24 was Nil.
- (iii) There were 2 permanent employees on the rolls of the Company as on March 31, 2024.
- (iv) Average percentage increase made in the salaries of employees other than the KMP in the previous financial year was Nil, whereas the average percentage increase in remuneration of the KMP was Nil. The average increase of remuneration every year is an outcome of the Company's market competitiveness as against similar Companies. The increase of remuneration this year is a reflection of the compensation philosophy of the Company and in line with the benchmark results.
- (v) It is hereby affirmed that the remuneration paid to all the Directors, KMP, Senior Managerial Personnel and all other employees of the Company during the financial year ended March 31, 2024, were as per the Nomination and Remuneration Policy of the Company.

Aniket Goyal & Associates

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS OF
M/S SAPTAK CHEM AND BUSINESS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Saptak Chem and Business Limited, (the "Company") which comprise the Balance Sheet as at **31st March, 2024**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as **at 31st March, 2024** and its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were 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 these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Aniket Goyal & Associates

Chartered Accountants

Management’s Responsibility for the Standalone Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the “Act”) with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and relevant rules there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Aniket Goyal & Associates

Chartered Accountants

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraph 3 and 4 of the Order.
- 2) 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, Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to other matter to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

Aniket Goyal & Associates

Chartered Accountants

- A) The Company does not have any pending litigation which would impart its financial position.
- B) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- C) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.
- D) (i) The management of the company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), including foreign entities ("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 of the company has represented that, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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; and
- (iii) Based on such audit procedures that we have 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) contain any material misstatement.
- E) The company has not declared or paid any dividend during the year.
- F) The Ministry of Corporate Affairs (MCA) has amended the Rule 3 of Companies (Accounts) rules, 2014 by way of notification dated 31st March 2022. Accordingly, requirement to have accounting software with a feature of recording audit trail is applicable from 1st April 2023. *Based on our examination, which included test checks, company has maintained proper accounting software in the form of Tally (Version-7), this version is subject to any feature of recording audit trail of each and every transaction including edit logs.*
- 3) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration/ Director Sitting Fee has not been paid. Accordingly, reporting under section 197(16) of the Act is not applicable.

For & On Behalf of –
M/s Aniket Goyal & Associates,
Chartered Accountants
FRN-022331C

Sd/-
CA Aniket Goyal
M. No.- 423707
Proprietor
UDIN: 24423707BKEZLD9982
Date: 29/05/2024
Place: Ahmedabad

Aniket Goyal & Associates

Chartered Accountants

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in Independent Auditors’ Report to the members of **M/s Saptak Chem and Business Limited** (“the Company”), on the Standalone financial statements for the year ended **31st March 2024**, I report that:

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to me and the books of account and other records examined by me in the normal course of audit, and to the best of my knowledge and belief, I report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment. - *As the Company does not hold any property, plant and equipment, (Bearer plants, capital work-in-progress, investment properties and relevant details of right-of-use assets), intangible assets, reporting under clause 3(i) of the Order is not applicable.*

(b) The Company has maintained proper records showing full particulars of intangible assets as reflected in books. *As the Company does not hold any property, plant and equipment, (Bearer plants, capital work-in-progress, investment properties and relevant details of right-of-use assets), intangible assets, reporting under clause 3(i) of the Order is not applicable.*

(c) As explained to me, the Property, plant and equipment have been physically verified by the management in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies are noticed on such physical verification. - *As the Company does not hold any property, plant and equipment, (Bearer plants, capital work-in-progress, investment properties and relevant details of right-of-use assets), intangible assets, reporting under clause 3(i) of the Order is not applicable*

(d) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company. In respect of immovable properties taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company. - *As the Company does not hold any property, plant and equipment, (Bearer plants, capital work-in-progress, investment properties and relevant details of right-of-use assets), intangible assets, reporting under clause 3(i) of the Order is not applicable.*

(e) The Company has not revalued its property, plant and equipment or intangible assets during the year ended 31 March 2024. - *As the Company does not hold any property, plant and equipment, (Bearer plants, capital work-in-progress, investment properties and relevant details of right-of-use assets), intangible assets, reporting under clause 3(i) of the Order is not applicable.*

(f) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Act, 1988 and rules made thereunder.

(ii) (a) As explained to me, the inventories are physically verified during the year by the Management at reasonable intervals and no material discrepancies are noticed on such physical verification. – *The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.*

(b) According to information and explanation to me, the Company has not been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, at any time during the year, from banks or financial institutions on the basis of security of the current assets of the Company. *According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.*

Aniket Goyal & Associates

Chartered Accountants

(iii) a. The Company has not made any investment in any wholly owned subsidiary and not granted advances in the nature of loans to other parties (advances to employees). The aggregate amount during the year and the balance outstanding at the balance sheet date with respect to such investment and loans and advances in the nature of loans to other parties are as per the table given below:

Particulars	Loan (INR in '000)	Investment (INR in '000)
Aggregate amount provided during the year		
Subsidiary	NA	NA
Others	NA	NA
Balance outstanding as at balance sheet date in respect of above cases		
Subsidiary	NA	NA
Others	NA	NA

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

b. In respect of the aforesaid investment and loan, the terms and conditions under which such loan was granted/investment was made are not prejudicial to the Company's interest. - *Not Applicable*

c. In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable. - *Not Applicable*

d. In respect of the loans as at March 31, 2024, there is no amount which is overdue for more than ninety days. - *Not Applicable*

e. Following loan was granted to the same party, which has fallen due during the year and were renewed. Further, no fresh loans were granted to the same party to settle the existing overdue loan. - *Not Applicable*.

f. The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. There were no loans which were granted to promoters during the year. - *Not Applicable*

(iv) In my opinion and according to the information and explanation given to us, the Company has not entered into any transaction covered under section 185 of the Act. Further based on the information and explanation given to us, the Company has complied with the provision of Section 186 of the Act in respect of granting loans, making investments, and providing guarantees and securities. *The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.*

(v) According to information and explanations given to me, the Company has not accepted any deposit from the public therefore the question of complying with the provisions of sections 73 to 76 of the Act and rules framed there under does not arise. *The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.*

(vi) I have broadly reviewed the records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. I have not, however, made a detailed examination of the same.

(vii) According to the information and explanations given to me, in respect of statutory dues: -

Aniket Goyal & Associates

Chartered Accountants

(a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Income-Tax, Customs Duty, Excise Duty, Cess and other material Statutory Dues, to the extent applicable in the case of the company, have been generally regularly deposited with the appropriate authorities except slight delay in Income Tax and Provident fund. According to the information and explanations given to me, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at the last day of the year for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, and the records of the companies examined by us, there are no disputed dues of GST, income tax, custom duty, service tax, wealth tax, Value added tax, excise duty and cess which have not been deposited except as mentioned in the table-

Name of the Statute	Nature of the Dues	Gross Amount (Rs.)	Amount Deposited (Rs.)	Period to which the amount relates	Forum where dispute is pending
Good and Services Tax Act, 2017	Goods and Services Tax	Rs.1.19 Crores	-	2018-19	Office of Assistant Commissioner of Central Tax, GST

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

(ix) In our opinion and on the basis of information and explanations given to us and based on our examination of the books of account of the Company. *Unsecured Loan amounting to Rs.2,33,01,253 outstanding as at 31 March 2024 are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.*

a. During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.

b. The Company has not been declared wilful defaulter by any bank or financial institution or any other lenders.

c. During the year, term loan availed by the Company were applied for the purposes for which the loans were obtained.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.

e. The Company has not taken any funds from any entity or person on account of or to meet obligation of its Associate. The Company does not have any subsidiaries or joint ventures; and

f. The Company has not raised loans during the year on the pledge of securities held in its Associate. The Company does not have any subsidiaries or joint ventures.

(x) a. In my opinion and according to information and explanation given by the management, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under the clause 3(x)(a) of the Order is not applicable.

Aniket Goyal & Associates

Chartered Accountants

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally) during the year and accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable.

(xi) a. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered under audit.

b. 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 (as amended from time to time) with the Central Government, during the year and up to the date of this report.

c. According to the information and explanation given to me and based on my examination of the books of account of the company, no whistle blower complaints have been received during the year by the company. Accordingly reporting under paragraph xi (c) of the order is not applicable.

(xii) The Company is not a Nidhi Company. Accordingly, provision of clause 3(xii) (a, b & c) of the Order is not applicable.

(xiii) In my opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in my opinion, the company is not required to constitute audit committee under section 177 of the Act. - *No Related party transactions reported during the period 2023-24.*

(xiv) According to the information and explanation given to me, the Company is required to have an internal audit system under Section 138 of the Act and consequently, must have an internal audit system. *The Company has internal auditors and an internal audit system under section 138 of the Companies Act, 2013 for the year.*

(xv) In my opinion and according to the information and explanations given to me, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

(xvi) According to the information and explanation given to me and based on my examination of the books and records of the Company:

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;

b. The Company has not conducted any non-banking financial or housing finance activities during the year;

c. The Company is not a Core Investment Company (hereinafter referred to as "CIC") as defined in the Core Investment Companies (Directions), 2016, as amended from time to time, issued by the Reserve Bank of India and hence, reporting under paragraph 3(xvi)(c) of the Order is not applicable; and

d. In my opinion and based on the representation received from the management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) Based on the examination of the books of accounts, I report that the Company has not incurred cash losses in the current financial year covered by my audit or in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and based on the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information

Aniket Goyal & Associates

Chartered Accountants

accompanying standalone financial statements, my knowledge of the Board of Directors and management plans and based on my 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 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. I, however, state that this is not an assurance as to the future viability of the Company. I further state that our reporting is based on the facts up to the date of the audit report and we neither given 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) According to the information and explanation provided to me, the Company does not fulfill the criteria as Specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of Standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For & On Behalf of –
M/s Aniket Goyal & Associates,
Chartered Accountants
FRN-022331C

Sd/-
CA Aniket Goyal
M. No.- 423707
Proprietor
UDIN: 24423707BKEZLD9982

Date: 29/05/2024
Place: Ahmedabad

“ANNEXURE-B” 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 (the “Act”)

We have audited the internal financial controls over financial reporting of “**M/s Saptak Chem and Business Limited**” (the “**Company**”) as of **31st March 2024** in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Opinion

We have audited the internal financial controls over financial reporting of **M/s Saptak Chem & Business Limited (“the Company”)** as of **31st March 2024** in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

In our opinion the company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Aniket Goyal & Associates

Chartered Accountants

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the 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.

Aniket Goyal & Associates

Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March, 2024**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For & On Behalf of –
M/s Aniket Goyal & Associates,
Chartered Accountants
FRN-022331C

Sd/-
CA Aniket Goyal
M. No.- 423707
Proprietor
UDIN: 24423707BKEZLD9982

Date: 29/05/2024
Place: Ahmedabad

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)			
Balance sheet as at 31st March, 2024			
<i>(Amount in Lakh)</i>			
Particulars	Note No.	As at 31-03-2024	As at 31-03-2023
ASSETS			
Non Current Assets			
a) Property, Plant and Equipment		-	-
b) Capital Work in Progress		-	-
c) Financial Assets		-	-
i) Investments		-	-
ii) Loans & Advances	1	-	53.81
d) Deferred Tax Assets (Net)		-	-
e) Other Non Current Assets		-	-
Current assets			
a) Inventories		-	-
b) Financial Assets			
i) Investments			
ii) Trade Receivables	2	-	6.83
iii) Cash and Cash Equivalents	3	2.55	14.13
iv) Loans & Advances		-	-
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	4	13.60	81.62
TOTAL ASSETS		16.15	156.39
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	5	1,073.23	1,073.23
b) Other Equity	6	(1,290.29)	(1,286.81)
Liabilities			
Non Current Liabilities			
a) Financial Liabilities			
i) Borrowings		-	-
ii) Trade Payables :-			
A) Total O/s dues of MSME		-	-
B) Total O/s dues of creditors other than MSME		-	-
b) Deferred Tax Liabilities (Net)		-	-
c) Other Non-Current Liabilities		-	-
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	7	233.01	289.11
ii) Trade Payables -	8	-	80.86
A) Total O/s dues of MSME			
B) Total O/s dues of creditors other than MSME			
b) Short-Term Provisions		-	-
c) Other Current Liabilities	9	0.20	-
d) Current Tax Liabilities (Net)		-	-
TOTAL EQUITY & LIABILITIES		16.15	156.39
<i>Accompanying Notes Forms an Integral part of Standalone Financial Statements. In terms of our report attached</i>		15-32	
As per our report of even date For Aniket Goyal & Associates Chartered Accountants		For and on behalf of the Board of Directors of Saptak Chem And Business Limited	
sd/- CA Aniket Goyal Membership No. 423707 FRN-022331C Place :- Ahmedabad Date :- 29-05-2024 UDIN :24423707BKEZLD9982	sd/- Rohitkumar Parikh DIN: 07394964 Managing Director	sd/- Meera Panchal Company Secretary	sd/- Ganesh Thakor CFO
			sd/- Sonal Gandhi DIN: 07351479 Director
			Date :- 29-05-2024 Place :- Ahmedabad

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)
Statement of Profit & Loss Account for the period ended 31st March, 2024

(Amount in Lakh)

PARTICULARS	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
I Revenue from Operations	10	-	8.39
II Other Income		-	-
III Total Income (I+II)		-	8.39
IV EXPENSES			
(1) Cost of Materials Consumed	11	-	0.57
(2) Purchase of Stock-In-Trade		-	-
(3) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		-	-
(4) Employee Benefits Expense	12	0.20	1.49
(5) Finance Cost	13	0.00	0.01
(6) Depreciation and Amortisation Expense		-	-
(7) Other Expenses	14	3.27	5.73
Total Expenses (IV)		3.48	7.80
V Profit before Exceptional Items and Tax (III-IV)		(3.48)	0.58
VI Exceptional Items		-	-
VII Profit before Tax		(3.48)	0.58
VIII Tax Expense			
(1) Current Tax		-	-
(2) Prior Period Taxation		-	-
(3) Deferred Tax		-	-
IX Profit (Loss) for the period from continuing operations (VII-VIII)		(3.48)	0.58
X Profit/(Loss) from discontinued operations		-	-
XI Tax Expense of discontinued operations		-	-
XII Profit (Loss) from discontinuing operations (after tax) (X-XI)		-	-
XIII Profit (Loss) for the period (IX-XIII)		(3.48)	0.58
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the Period (XIII+XIV)		(3.48)	0.58
XVI Earnings Per Equity Share			
(1) Basic (Amount in Rs.)		(0.03)	0.01
(2) Diluted (Amount in Rs.)		(0.03)	0.01

Accompanying Notes Forms an Integral part of Standalone
Financial Statements. In terms of our report attached

15-32

As per our report of even date

For Aniket Goyal & Associates
Chartered Accountants

sd/-
CA Aniket Goyal
Membership No. 423707
Place :- Ahmedabad
Date :- 29-05-2024
UDIN :24423707BKEZLD9982

sd/-
Rohitkumar Parikh
DIN: 07394964
Managing Director

sd/-
Meera Panchal
Company Secretary

For and on behalf of the Board of Directors of
Saptak Chem And Business Limited

sd/-
Ganesh Thakor
CFO
Sonal Gandhi
DIN: 07351479
Director

Date :- 29-05-2024
Place :- Ahmedabad

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)
Statement of Change in Equity for the year ended on 31st March, 2024

(A) EQUITY SHARE CAPITAL

(Amount in Lakh)

Particulars	As at 31st March,2024	As at 31st March,2023
Balance as at the beginning of the year	107.32	107.32
Issued during the year	-	-
Balance as at the end of the year	107.32	107.32

(B) OTHER EQUITY

(Amount in Lakh)

Particulars	Share Application Money Pending For Allotment	Reserves & Surplus					Equity Instrument measured through OCI	Total
		Retained Earnings	General reserves	Capital reserves	Security Premium	Revaluation reserve		
Balance as on 01.04.2023		(1,286.81)	-	-	-	-	-	(1,286.81)
Addition During the Year		-	-	-	-	-	-	-
Profit For the year		(3.48)	-	-	-	-	-	(3.48)
Transfer to Reserves		-	-	-	-	-	-	-
Other Comprehensive Income		-	-	-	-	-	-	-
Prior Period Loss		-	-	-	-	-	-	-
Dividend		-	-	-	-	-	-	-
Dividend Distribution Tax		-	-	-	-	-	-	-
Balance as on 31.03.2024	-	(1,290.29)	-	-	-	-	-	(1,290.29)
Balance as on 01.04.2022		(1,287.39)	-	-	-	-	-	(1,287.39)
Profit For the year		0.58	-	-	-	-	-	0.58
Transfer to Reserves		-	-	-	-	-	-	-
Other Comprehensive Income		-	-	-	-	-	-	-
Dividend		-	-	-	-	-	-	-
Dividend Distribution Tax		-	-	-	-	-	-	-
Balance as on 31.03.2023	-	(1,286.81)	-	-	-	-	-	(1,286.81)

As per our report of even date
For Aniket Goyal & Associates
Chartered Accountants

For and on behalf of the Board of Directors of
Saptak Chem And Business Limited

sd/-
CA Aniket Goyal
Membership No. 423707

sd/-
Rohitkumar Parikh
DIN: 07394964
Managing Director

sd/-
Ganesh Thakor
CFO

sd/-
Meera Panchal
Company Secretary

sd/-
Sonal Gandhi
DIN: 07351479
Director

Place :- Ahmedabad
Date :- 29-05-2024
UDIN :24423707BKEZLD9982

Place :- Ahmedabad
Date :- 29-05-2024

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)
Notes to the Financial Statements for the Year ended 31st March, 2024

(Amount in Lakh)

Note No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
5	Share Capital		
	Authorised share capital :- 11000000 (11000000) Equity Shares of Rs. 10 each	1,100.00	1,100.00
		1,100.00	1,100.00
	Issued Subscribed & Paid-up Share Capital:- 10732272 (10732272) Equity Shares of Rs. 10 each	1,073.23	1,073.23
	1,073.23	1,073.23	

5.1 List of Share Holders having more than 5% holding

(Amount in Rs.)

Sr. No.	Name of Shareholder	As at 31 March, 2024		As at 31 March, 2023	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Alpha Antibiotics Limited	13,50,000	12.58%	13,50,000	12.58%

5.2 The Reconciliation of the number of shares outstanding is set out below :

(Amount in Rs.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance as at the beginning of the year	1,07,32,272	1,07,32,272
Issued during the year	-	-
Balance as at the end of the year	1,07,32,272	1,07,32,272

5.3 Terms and Rights attached to equity Shares

The company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is

5.4 The company has not issued any Right/ Bonus shares during any preceding year.

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)
Notes to the Financial Statements for the period ended 31st March, 2024

(Amount in Lakh)

Note	Particulars	As at March 31, 2024	As at March 31, 2023
NON CURRENT ASSETS			
	FINANCIAL ASSET		
1	LONG TERM LOANS AND ADVANCES		
	Unsecured Considered Good		
	Advances receivable in cash or in kind or for value to be received	-	53.81
	Total	-	53.81
CURRENT ASSETS			
	FINANCIAL ASSET		
2	TRADE RECEIVABLES		
	(Unsecured considered good)		
	Over Six Months	-	-
	Others	-	6.83
	Sundry Debtors/ Trade Receivables - Ageing Schedule		
	Unsecured, considered good:		
	(i) Undisputed Trade Receivables Considered Good		
	Less than 6 months	-	6.83
	6 months to 1 year	-	-
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
	(ii) Undisputed Trade Receivables Considered Doubtful	-	-
	(iii) Disputed Trade Receivables Considered Good	-	-
	(iv) Disputed Trade Receivables Considered Doubtful	-	-
	Total	-	6.83
CURRENT ASSETS			
	FINANCIAL ASSET		
3	CASH AND CASH EQUIVALENT		
	Cash on Hand	2.10	8.00
	Balance with Scheduled Banks	-	-
	a. in Current Accounts	0.45	6.13
	b. in Term Deposit Accounts		
	Total	2.55	14.13
CURRENT ASSETS			
4	OTHER CURRENT ASSETS		
	Tax deducted at source	-	0.16
	Interest accrued but not due	-	0.06
	BSE Revocation fee capitalised	8.16	74.18
	Advance against rent	-	-
	GST Recivables	5.44	7.22
	Total	13.60	81.62

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)		
Cash Flow Statement for the period ended 31st March,2024		
<i>(Amount in Lakh)</i>		
Particulars	For the period ended on 31.03.2022	For the period ended on 31.03.2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	(3.48)	0.58
Adjustments for:		
Depreciation	-	-
Preliminary Exps. Written off	-	-
Finance Cost	-	-
Operating Profit before Working Capital Changes	(3.48)	0.58
Movements in Working Capital :		
Decrease / (Increase) in Inventories	-	-
Decrease / (Increase) in Sundry Debtors	6.83	-
Decrease / (Increase) in Loans and Advances	-	15.90
Decrease / (Increase) in Other Current Assets	68.02	-
(Decrease) / Increase in Trade Payables	(80.86)	(3.70)
(Decrease) / Increase in Short Term Provisions	-	-
(Decrease) / Increase in Current Liabilities	(56.10)	-
(Decrease) / Increase in Other Current Liabilities	0.20	-
Cash (used in) / generated from operations	(65.39)	12.78
Direct Taxes Paid (net of refunds)		
Net cash (used in) / generated from operating activities (A)	(65.39)	12.78
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) of Fixed Assets	-	-
Sale / Disposal of Fixed Assets	-	-
Profit on sale of Investment / Assets	-	-
Net cash (used in) / generated from investing activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds From Long Term Borrowings	53.81	0.40
(Repayment) / Proceeds From Short Term Borrowings		
Repayment/(Proceeds) from Long Term Loans and Advances		
Proceeds from Issue of Shares		
Interest Expense		
Dividend		
Dividend Distribution Tax		
Net cash (used in) / generated from financing activities (C)	53.81	0.40
D.NET INCREASE IN CASH AND CASH EQUIVALENTS (D)=(A+B+C)	(11.58)	13.18
Cash and cash equivalents at the beginning of the year	14.13	0.95
Cash and cash equivalents at the end of the year	1.55	14.13
Components of cash and cash equivalents		
Cash and cheques on hand	2.10	8.00
With Scheduled Banks		
- in Current Account	0.45	6.13
- in Term Deposit Accounts		
Total Cash and Cash Equivelent as on 31.03.2024	2.55	14.13
Notes		
1) The figures in brackets represent outflows.		
2) Previous periods' figures have been regrouped / reclassified , wherever necessary, to confirm to current year presentation.		
As per our report of even date		For and on behalf of the Board of Directors of
For Aniket Goyal & Associates		Saptak Chem And Business Limited
Chartered Accountants		
sd/-	sd/-	sd/-
CA Aniket Goyal	Meera Panchal	Ganesh Thakor
Membership No. 423707	Company Secretary	CFO
		sd/-
		Rohitkumar Parikh
		DIN: 07394964
		Managing Director
		sd/-
		Sonal Gandhi
		DIN: 07351479
		Director
Place :- Ahmedabad		
Date :- 29-05-2024		Place :- Ahmedabad
UDIN :24423707BKEZLD9982		Date :- 29-05-2024

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)
Notes to the Financial Statements for the period ended 31st March, 2024

(Amount in Lakh)

Note	Particulars	As at March 31, 2024	As at March 31, 2023
EQUITY			
6	B) OTHER EQUITY		
	Reserves & surplus		
	Retained Earnings	(1,290.29)	(1,286.81)
	General reserves	-	-
	Total	(1,290.29)	(1,286.81)
FINANCIAL LIABILITIES			
7	BORROWINGS		
	Short Term Borrowing		
	Unsecured Loans	233.01	289.11
	Long Term Provisions		
	Total	233.01	289.11
FINANCIAL LIABILITIES			
8	TRADE PAYABLES	-	80.86
	Unsecured, repayable on Demand:		
	Trade Payable/ Sundry Creditors Ageing Schedule		
	i] Due to Micro and Small Enterprises		
	Outstanding for: less than 1 year	-	
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
	ii] Other than due to Micro and Small Enterprises		
	Outstanding for: less than 1 year	-	80.86
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
	iii] Disputed dues- MSME	-	-
	iv] Disputed dues- Others	-	-
	Total	-	80.86
CURRENT LIABILITIES			
9	Provision for Audit Fees	0.20	-
	Total	0.20	-

Saptak Chem and Business Limited (CIN: L24299GJ1980PLC101976)
Notes to the Financial Statements for the period ended 31st March, 2024

(Amount in Lakh)

Note No.	Particulars	for the year ending on March 31,2024	for the year ending on March 31,2023
10	<u>REVENUE FROM OPERATIONS</u>		
	Revenue from Operations	-	8.39
	Other operating revenues		
	Total	-	8.39
11	<u>COST OF STOCK IN TRADE AND OPERATING EXP.</u>		
	Opg Stock	-	-
	Add :Purchase of Stock in Trade	-	0.57
	Less :Closing Stock	-	-
	Raw Material consumed during the year (A)	-	1
	<u>Other Operating Expenses</u>		
	Work Contract Charges	-	-
	Labour Charges	-	-
	Electric Power, Fuel	-	-
	Freight Inward, Loading and unloading charges	-	-
	Repairs & Maint. Exp	-	-
	Other Operating Exp (B)	-	-
	Total	-	0.57
12	<u>EMPLOYEE BENEFIT EXPENSES</u>		
	Salaries, Wages, Allowances and Bonus	0.20	1.49
	Salaries, Wages, Allowances and Bonus	-	-
	Cont. to ESI	-	-
	Cont. to PF	-	-
	Staff Welfare Expenses	-	-
	Total	0.20	1.49
13	<u>FINANCE COST</u>		
	Bank Charges	0.00	0.01
	Interest Exp	-	-
	Other Borrowing Costs	-	-
	Total	0.00	0.01
14	<u>OTHER EXP</u>		
	Rent	0.12	0.30
	Electricity & Water Charges	-	-
	General charges	0.05	0.03
	Office upkeeping	0.02	0.02
	Telephone & Mobile	0.02	0.01
	Website Development Charges	-	0.04
	Sitting Fees	-	0.47
	BSE Listing Fees	2.13	3.54
	ROC Filing Fees	0.10	0.07
	Issure Fees	0.53	1.14
	Total	2.96	5.62
14.1	<u>PAYMENT TO AUDITORS :</u>		
	Statutory Audit Fees	0.31	0.12
	Total	3.27	5.73

15 Related Party Disclosures under IND AS 24

Related Parties/Nature of Relationship :			
A. Key Management Personnel:			
Rohitkumar Parikh	Designation	MANAGING DIRECTOR	
Ganesh Thakor		CFO	
Meera Panchal		COMPANY SECRETARY	
Sonal Gandhi		DIRECTOR	
Bhoomiben Patel		DIRECTOR	
Chirag Nenawati		DIRECTOR	
B. Relatives:			
NA			
C. Subsidiary Companies:			
Company does not have any subsidiaries			
D. Enterprise owned or significance influence by KMP or their relative :			
NA			
Transactions with the related parties			
Particulars	AS AT MARCH 2023	Transaction during the year	AS AT MARCH 2024
A. Key Management Personnel			
a. Directors' Remuneration & Perquisites	-	-	-
B. Relatives			
a. Salary	-	-	-
b. Rent Deposit	-	-	-
C. Associate Concern			
a. Advance for capital goods	-	-	-
b. Loans and Advance	-	-	-
c. Interest Received	-	-	-
e. Deposit	-	-	-
f. Donation	-	-	-
D. Subsidiary Companies			
a. Capital Contribution	-	-	-
b. Loan Given	-	-	-
c. Interest Received	-	-	-
d. Purchase	-	-	-

15 Related Party Disclosures under IND AS 24

Related Parties/Nature of Relationship :			
A. Key Management Personnel:		Designation	
Rohitkumar Parikh		MANAGING DIRECTOR	
Ganesh Thakor		CFO	
Meera Panchal		COMPANY SECRETARY	
Sonal Gandhi		DIRECTOR	
Bhoomiben Patel		DIRECTOR	
Chirag Nenawati		DIRECTOR	
B. Relatives:			
NA			
C. Subsidiary Companies:			
Company does not have any subsidiaries			
D. Enterprise owned or significance influence by KMP or their relative :			
NA			
Transactions with the related parties			
Particulars	AS AT MARCH 2023	Transaction during the year	AS AT MARCH 2024
A. Key Management Personnel			
a. Directors' Remuneration & Perquisites	-	-	-
B. Relatives			
a. Salary	-	-	-
b. Rent Deposit	-	-	-
C. Associate Concern			
a. Advance for capital goods	-	-	-
b. Loans and Advance	-	-	-
c. Interest Received	-	-	-
e. Deposit	-	-	-
f. Donation	-	-	-
D. Subsidiary Companies			
a. Capital Contribution	-	-	-
b. Loan Given	-	-	-
c. Interest Received	-	-	-
d. Purchase	-	-	-

(Amount in Lakh)

16 Financial Instruments

Particular	Carrying Value		Fair Value	
	March 31,2024	March 31,2023	March 31,2024	March 31,2023
Financial Assets				
Amortised cost				
Investments	-	-	-	-
Trade receivables	-	-	-	-
Cash and cash equivalents	2.55	14.13	2.55	14.13
Loans and Advances (Current)	-	-	-	-
Trade receivables (Non Current)	-	-	-	-
Loans and Advances (Non Current)	-	-	-	-
FVTOCI				
Investment in equity instruments	-	-	-	-
FVTPL				
Investment in equity instruments (Unquoted)	-	-	-	-
Total Assests	2.55	14.13	2.55	14.13
Financial Liabilities				
Amortised cost				
Long Term Borrowings	233.01	289.11	233.01	289.11
Non Current Financial Liabilities - Trade payables	-	-	-	-
Trade payables	-	80.86	-	80.86
Other Financial Liabilities				
Short Term Borrowings				
Total Liabilities	233.01	369.97	233.01	369.97

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.

iii) The fair values of the unquoted equity shares, if any have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash

flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

17 Financial Risk Management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counter parties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to Bad debt is not significant. Also the Company does not enter into sales transaction with customers having credit loss history. There are no significant Credit risk with related parties of the Company. The Company's is exposed to Credit risk in the event of non payment of customers. Credit risk concentration with respect to Trade Receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognised as per the assessment.

Bank Deposits

The company maintains its cash and cash equivalents and bank deposits with reputed and highly rated bank. Hence, there is no significant credit risk on such deposits.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash and Cash equivalents	2.55	14.13
Total	2.55	14.13

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2024 and March 31, 2023.

Particulars	As at	Less than 1 year	1-2 years	More than 2 years
Borrowings	March 31,2024	233.01	-	-
	March 31,2023	289.11	-	-
Trade Payables	March 31,2024	-	-	-
	March 31,2023	80.86	-	-
Other Financial Liabilities	March 31,2024	-	-	-
	March 31,2023	-	-	-

18 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

In Rs

Particulars	March 31, 2024	March 31, 2023
Total equity attributable to the equity share holders of the company	-	-
As percentage of total capital	0%	0%
Current borrowings	2,33,01,253.00	2,89,11,253.00
Non-current borrowings	-	-
Total borrowings	2,33,01,253.00	2,89,11,253.00
As a percentage of total capital	100.00%	100.00%
Total capital (borrowings and equity)	2,33,01,253.00	2,89,11,253.00

The Company is predominantly debt financed which is evident from the capital structure table.

19. Trade Payable to MSME

According to the information available with the Management, on the basis of intimation received from suppliers regarding status of Micro, Small And Medium Enterprise Development Act, 2006, the Company has amount due to Micro and Small enterprise under the said Act as on 31.03.2024 is as under:-

Particulars	31-03-2024	31-03-2023
Principal Amount Due	-	-
Interest Due on above	0	0
Amount of interest paid in terms of Section 16 of MSME Act, 2006	0	0
Amount of interest due and payable for the period of delay	0	0
Amt of interest accrued and remaining unpaid as at year end	0	0

Amt. of further interest remaining due and payable in the succeeding year.

20 Events Occurring After Balance - Sheet

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 29th May, 2024, there were no subsequent events to be recognised or reported that are not already disclosed.

21 Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. Company has only one business segment ,hence the disclosure of segment wise information as required by Ind AS 108 on "Segment Reporting" is not applicable .

22 Contingent Liabilities and Commitment- The company has no contingent liabilities & capital commitment as on reporting date 31.03.2024

23 In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.

24 Previous Years Figures have been re-grouped/ re-arranged wherever consider necessary. The disclosure requirement are made in the notes to accounts for by way of additional statements. The other disclosure required by the Companies Act, are made in the notes to accounts

25 Compliance with number of layers of companies: . The Company does not have any Subsidiary Company.

26 Registration of charges or satisfaction with Registrar of Companies – There is no charge created by the Company.

27 Relationship with Struck off Companies: Not Applicable

28 Wilful Defaulter : The Company has not been declared as Wilful Defaulter by any Bank or Financial Institutions or Government or any Government Authority

29 Details of Benami Property held : No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

30 . Capital WIP : Not Applicable

31 Intangible assets under development : Not Applicable

Financial Ratios

(Amount in Lakh)

Sr. No	Particulars	Formula	FY 23-24		FY 22-23		Net % change	Reasons for such Variances
			Value	%	Value	%		
1	Current ratio	Current Assets	16.15	= 0.07	102.58	= 0.28	-75.02%	There is decrease in current liability and current assets as compared to previous year resulting in decrease in current ratio
		Current Liability	233.21		369.97			
2	Debt-Equity Ratio	Total Debt	-	= NA	-	= NA	NA	Not Applicable
		Shareholder Equity	-		-			
3	Debt Service Coverage Ratio	EBITDA	-	= NA	-	= NA	NA	Not applicable
		Interest+Principal	-		-			
4	Return on Equity Ratio	Net Profit after Tax	(3.48)	= 1.60%	0.58	= -0.27%	-687.41%	There is decrease in Net profit as compared to previous year and also decrease in shareholder's fund resulting in overall decrease in Return on Equity Ratio
		Shareholder's Fund	(217.06)		(213.58)			
5	Inventory turnover ratio	COGS	-	= NA	-	= NA	NA	Not applicable
		Average Inventory	-		-			
6	Trade Receivables turnover ratio	Sales	-	= NA	-	= NA	NA	Not applicable
		Average Trade Receivables	-		-			
7	Trade payables turnover ratio	Purchases	-	= NA	-	= NA	NA	Not applicable
		Average Trade Payable	-		-			
8	Net capital turnover ratio	Sales	-	= 0.00	8.39	= -0.03	-100.00%	The decrease in the ratio is due to decrease in sales value.
		Working Capital(CA-CL)	(217.06)		(267.39)			
9	Net profit ratio	Net Profit after tax	(3.48)	= NA	0.58	= 6.95%	NA	There is no sales during the year.
		Sales	-		8.39			
10	Return on Capital employed	Net Profit	(3.48)	= 1.60%	0.58	= -0.27%	-687.41%	Net profit and Capital employed is decreased as compared to previous resulting in overall decrease in ROCE.
		Capital Employed	(217.06)		(213.58)			
11	Return on investment	Profit From Investment	-	= NA	-	= NA	NA	Not applicable
		Total Investment	-		-			

Note No.32

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS:

1. CORPORATE INFORMATION:

Saptak Chem and Business Limited is a listed public limited company incorporated in March 12, 1980. Its shares are listed on BSE Limited. The Company operates in business of trading of agricultural produce and chemical. These financial statements were approved for issue by the Company's Board of Directors on May 29, 2024.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Statement of Compliance:

These financial statements have been prepared in accordance with Ind-AS as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

2.2 Basis of preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest lacs, except otherwise indicated. All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.2.1 Current V/s Non-Current Classification-

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle
 - ii) Held primarily for the purpose of trading
 - iii) Expected to be realized within twelve months after the reporting period, or
 - iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
 - ii) It is held primarily for the purpose of trading
 - iii) It is due to be settled within twelve months after the reporting period, or
 - iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its Operating Cycle.

2.2.2 Fair Value Measurement-

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 1) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 2) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- 3) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.3 Accounting Estimates:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions, that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

2.4 Revenue Recognition:

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government.

Accordingly, it is excluded from revenue.

Sale of goods

Revenue from sales is recognized when the substantial risks and rewards of ownership of goods are transferred to the buyer and the collection of the resulting receivables is reasonably expected. This usually occurs upon dispatch, after the price has been determined and collection of the receivable is reasonably certain. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of Services

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured.

Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

2.5 Property, Plant & Equipment's:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized 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 recognized in Statement of Profit and Loss.

Advances paid towards the acquisition of Property, Plant & Equipment outstanding at each reporting date is classified as Capital advances under Other Non –Current Assets and assets which are not ready for intended use as on the date of Balance sheet are disclosed as “Capital Work in Progress.”.

Depreciation/ Amortization

Depreciation on Property, Plant & Equipment is charged on Straight Line Method. Depreciations are charged over the estimated useful lives of the assets as specified in Schedule II of the Companies Act, 2013. Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis from/till the date they are put to commercial use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.

Depreciation on additions/deletions to Property plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on Property plant and equipment arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life. Depreciation on refurbished/revamped Property plant and equipment which are capitalized separately is provide for over the reassessed useful life

The estimated useful lives of assets are as under:

Name of Asset	Useful life
Furniture & Fittings	10 Years

2.6 Impairment of Assets:

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.7 Investments:

Investments are in equity shares of unlisted companies being non-current in nature, are stated as per Ind AS-32,109 & 107 i.e. Financial Instruments. Further company do not have any Investments as on 31.03.2024.

2.8 Foreign Currency Transactions:

Foreign currency transactions, if any, are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognised in the statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.9 Borrowing Cost:

Borrowing cost, if any, directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.10 Inventories:

Stock and operating supplies are valued at lower of cost and net realizable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition, Cost is determined on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make sale.

2.11 Employees' Benefits:

Short-term Obligations

Liabilities for wages and salaries, including 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 Employee Obligations – The Company do not have any post-employment obligations.

Gratuity obligations

The Company had an obligation towards gratuity – a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of an employment of an amount equivalent to 15 days salary payable for each completed years of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service and is payable thereafter on occurrence of any of above events.

As per information provided by the Company, there are no employees who have served more than 5 years.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

2.12 Taxes on Income:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Profit or Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.13 Earnings Per Share (EPS):

Basic earnings per share are computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share.

2.14 Contingencies and Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of obligation cannot be made. Contingent assets are not recognized in the financial statements.

2.15 Statement of Cash Flow:

Cash flows are reported using the indirect method, whereby profit/(loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

2.16 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognized in the Statement of Profit and Loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value through other comprehensive income (OCI). Changes in fair values are recognized in OCI and on derecognition, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest income calculated using EIR and impairment loss, if any, are recognized in the Statement of Profit and Loss.

Financial assets at fair value through profit or loss (FVTPL)

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing for financial assets.

De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivable, trade receivable other contractual rights to receive cash or other financial assets. For trade receivable, the Company measures the loss allowance at an amount equal to life time expected credit losses. Further, for the measuring life time expected credit losses allowance for trade receivable the Company has used a practical expedient as permitted under Indian AS 109. This expected credit loss allowance is computed based on provisions, matrix which takes into account historical credit loss experience and adjusted for forward looking information.

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. All financial liabilities are initially measured at amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables they

are initially recognize at fair value and subsequently, these liabilities are held at amortized cost, using the Effective interest method.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortized cost using the effective interest method. Interest expense is recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on subsequently different terms, or the terms of an existing liability are subsequently modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amount is recognize in the Statement of Profit & Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the financials.

3. NOTES TO ACCOUNTS:

- 3.1 Some of the Balances of sundry creditors, sundry debtors, loans & advances, and other liabilities are subject to balance confirmation and reconciliation.
- 3.2 In the opinion of the Board of Directors, Current Assets, Loans & Advances are approximately of the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.
- 3.3 The Company operates in one segment i.e., trading of agricultural produce and chemical and within one geographical segment i.e., India.
- 3.4 The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to provide ongoing returns to shareholders and service debt obligations, whilst maintaining maximum operational flexibility.
- 3.5 The carrying amounts of trade payables, other financial liabilities, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short-term nature.
- 3.6 The Company opines that no provision for expected credit loss is required.
- 3.7 There is no significant market risk or liquidity risk to which the Company is exposed.
- 3.8 The disclosure of transactions with the related parties is given below:
 - (i) Parties where control exists: NIL
 - (ii) Subsidiary Companies: NIL
 - (iii) Fellow Subsidiary Companies: NIL
 - (iv) Key Management Personnel: Rohitkumar Parikh - Managing Director, Mr. Jitendra Sharma, CFO, Meera Panchal– Company Secretary

Terms and conditions of transactions with related parties: NIL

There have been no guarantees provided or received for any related party receivables and payables for the year ended March 31, 2024 and for the year ended March 31, 2023.

		Amount in Lakhs	
		Current Year	Previous Year
		2023-24	2022-23
3.9	Earning Per Share		
	Profit (Loss) After Tax (PAT)	(3.47)	0.59
	Less: Preference Dividend & Tax	NIL	NIL
	Profit / (Loss)	(3.47)	0.59
	Number of Equity Shares of Rs. 10/- each	1,07,32,272	1,07,32,272
	Weighted Average Number of Equity Shares of Rs. 10/- each	1,07,32,272	1,07,32,272
	Basic EPS	(0.03)	0.01
	Diluted EPS	(0.03)	0.01
3.10	Contingent Liabilities and Commitments (To the extent not provided for)		
	(i) <u>CONTINGENT LIABILITES</u>		
	(a) Claim against the company not acknowledged as debts	NIL	NIL
	(b) Guarantees	NIL	NIL
	(c) Other Money for which the company is contingently liable	NIL	NIL
	(ii) <u>COMMITMENTS</u>		
	(a) Estimated amount of Contract remaining to be executed on capital account (net of advances) and not provided for	NIL	NIL
	(b) Uncalled liability on Shares and Other Investments partly paid	NIL	NIL
	(c) Other Commitments	NIL	NIL
		NIL	NIL
3.11	Payment to Auditors:		
	a) Audit Fees	0.31	0
	b) Other Services	0	0
	c) Tax Audit Fees	0	0
	d) Taxation Work	0	0
	e) Out of Pocket Expenses	0	0
	Total	<u>0</u>	<u>0</u>
3.12	Foreign Currency Transactions:		
	a.	NIL	NIL
	b.	NIL	NIL
	c.	NIL	NIL

3.13 No amount remained due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprise Development Act, 2006” as identified on the basis of information collected by the management.

3.14 The Company has re grouped and re-classified the previous year’s figures in accordance with the requirements applicable in the current year. In view of this, certain figures of the current year are not strictly comparable with those of the previous year.

3.15 Notes 1 to 32 form integral part of standalone financial statements.

ADDITIONAL DISCLOSURES:

- (i) Previous year figures have been regrouped and reclassified wherever necessary.
- (ii) Expenditure and earning in foreign currency: Nil
- (iii) Expenditure incurred on employees who are in receipt of remuneration which is less than the prescribed limit. for the year,
- (iv) In the opinion of the board the value on realization of current assets and loans and advance in ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
- (v) All amounts in the financial statements are presented in Lakhs except per share data and as otherwise stated.

- (vi) Amount due from to various parties, Trade receivables, unsecured loans from directors and other debit & credits balances as on 31.03.2024 has been provided via balance confirmation and reconciliation from the respected parties.
- (vii) Undisclosed Income:
Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.
- (viii) Details of Crypto Currency or Virtual Currency:
Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (ix) Figures have been rounded off to the nearest Rupee.
- (x) The **Financial of Ratios** are as under:

Sr . No	Particulars	Formula	FY 23-24			FY 22-23			Net % change	Reasons for such Variances
			Value		%	Value		%		
1	Current ratio	Current Assets	16,15,414.83	=	0.07	1,02,58,289.10	=	0.28	-75.02%	There is decrease in current liability and current assets as compared to previous year resulting in decrease in current ratio
		Current Liability	2,33,21,252.67			3,69,97,131.00				
2	Debt-Equity Ratio	Total Debt	-	=	NA	-	=	NA	NA	Not Applicable
		Shareholder Equity	-			-				
3	Debt Service Coverage Ratio	EBITDA	-	=	NA	-	=	NA	NA	Not applicable
		Interest+Principa l	-			-				
4	Return on Equity Ratio	Net Profit after Tax	(3,47,689.00)	=	1.60 %	58,242.00	=	- 0.27 %	- 687.41%	There is decrease in Net profit as compared to previous year and also decrease in shareholder's fund resulting in overall decrease in Return on Equity Ratio
		Shareholder's Fund	(2,17,05,837.00)			(2,13,58,148.00)				
5	Inventory turnover ratio	COGS	-	=	NA	-	=	NA	NA	Not applicable
		Average Inventory	-			-				
6	Trade Receivable	Sales	-	=	NA	-	=	NA	NA	Not applicable

	Turnover ratio	Average Trade Receivables	-	=	NA	-	=	NA	NA	
7	Trade payables turnover ratio	Purchases	-	=	NA	-	=	NA	NA	Not applicable
		Average Trade Payable	-			-				
8	Net capital turnover ratio	Sales	-	=	0.00	8,38,550.00	=	-0.03	-	The decrease in the ratio is due to decrease in sales value.
		Working Capital(CA-CL)	(2,17,05,837.84)			(2,67,38,841.90)			100.00%	
9	Net profit ratio	Net Profit after tax	(3,47,689.00)	=	NA	58,242.00	=	6.95 %	NA	There is no sales during the year.
		Sales	-			8,38,550.00				
10	Return on Capital employed	Net Profit	(3,47,689.00)	=	1.60 %	58,242.00	=	- 0.27 %	-	Net profit and Capital employed is decreased as compared to previous resulting in overall decrease in ROCE.
		Capital Employed	(2,17,05,836.84)			(2,13,58,147.90)			687.41%	
11	Return on investment	Profit From Investment	-	=	NA	-	=	NA	NA	Not applicable
		Total Investment	-			-				

- (xi) There is no any amount payable to the suppliers of Micro, Small and Medium Enterprises as on March 31, 2024. Hence no need of disclosure as per Micro, small and Medium Enterprises development Act, 2006.
- (xii) As Per Indian Accounting Standard 24, the disclosure of transactions with the related parties is given under Note No.15 - *No transactions with any related parties.*
- (xiii) Transactions during the year with related parties:
There are no transactions with the related parties during the current financial year ended on 31st March 2024.

**For & On Behalf of –
Aniket Goyal & Associates,
Chartered Accountants**

**For and on behalf of the Board
Saptak Chem and Business Limited
(Formerly Munak Chemicals Limited)**

**Aniket Goyal
M. No.- 423707
Proprietor
UDIN: 24423707BKEZLD9982**

**Rohitkumar Parikh
Managing Director
DIN: 07394964**

**Sonal Gandhi
Director
DIN: 07351479**

**Ganesh Thakor
CFO**

**Meera Panchal
Company Secretary**

**Place: Ahmedabad
Date: 29/05/2024**

**Date: 29/05/2024
Place: Ahmedabad**