

SHORTER NOTICE

Shorter notice is hereby given u/s 101 of companies act, 2013, that an Annual General Meeting of the Members of M/s. Satol Chemicals Limited to be held on the 30th day of September, 2024, Monday at the registered office of the company situated at 102, Shreemad Gokul Apartments Chs Ltd Near Mcf Club, Off, S V Road Borivali (W), Mumbai, Maharashtra, India, 400092. To transact the following business:

ORDINARY BUSINESS:

To consider and if thought fit to pass with or without modification the following resolutions as an Ordinary Resolution:

1) ADOPTION OF STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2023-24:

To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon; and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

“RESOLVED THAT, the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2) TO CONSIDER THE STATUTORY AUDITOR FOR THE TERM OF 5 YEARS:

“RESOLVED THAT, pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force), as recommended by the Board of Directors of the Company, subject to consent of the members of the Company M/s. **Vijay Darji and Associates, Chartered Accountants (Firm Registration No. 118614W)** be and are hereby appointed as the Statutory Auditor of the Company for the term of 5 (five) years from the conclusion of AGM to be held for FY 2024-25, at such remuneration as may be mutually decided by board and auditor and may be revised from time to time by the Board of Directors.

“RESOLVED FURTHER THAT, any one of the Directors of the Company be and is hereby severally authorized to do all such things, acts, deeds and matters as may be considered necessary, usual, proper or expedient to give effect to the above resolution, including but not limited to incorporation of amendment / suggestion / observation made by the jurisdictional Registrar of Companies, to the extent applicable, without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”



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3. TO APPROVE THE ISSUE OF BONUS SHARES:

“RESOLVED THAT, pursuant to the provisions of Section 63 of Companies Act, 2013 and Rules framed thereunder (including any statutory modification (s) or re-enactment thereof, for the time being in force) the Board of Directors hereby recommends the issue of bonus shares in the proportion of **600:1, 600 (Six Hundred)** new equity shares of Face value Rs. 10/- each fully paid for every **1 (One)** existing equity shares of Face value Rs. 10/- each fully paid held for distribution among the holders of existing fully paid equity shares of Face value Rs. 10/- each of the Company as an increase of the amount of the share capital of the Company held by each such member, and not as income or in lieu of dividend, credited as **1,11,37,200 (One crore Eleven Lakh Thirty-Seven Thousand Two Hundred)** new equity shares of Face value Rs 10/- each fully paid as bonus shares by capitalizing a sum of **Rs. 11,13,72,000/- (Rupees Eleven Crore Thirteen Lakh Seventy-Two Thousand Only)** out of its Free Reserves which shall rank pari passu with the existing equity shares of the Company of the same class.

“RESOLVED FURTHER THAT, the issue of aforementioned **1,11,37,200 (One crore Eleven Lakh Thirty-Seven Thousand Two Hundred)** new equity shares of Face value Rs. 10/- each fully paid as bonus shares shall be subject to such consents and approvals as may be required from the appropriate authorities and the members of the Company at the ensuing General Meeting.

“RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolution, any of the existing Directors of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments, and writings as it may in its absolute discretion deem necessary or desirable in relation thereto.

“RESOLVED FURTHER THAT, any of the Directors of the Company be and are hereby severally authorized to certify and make available a true copy of the foregoing resolution to anyone including but not limited to any statutory authority, if concerned or deemed interest in the matter.”

SPECIAL BUSINESS:

To consider and if thought fit to pass with or without modification the following resolutions as a Special Resolution:

4. APPROVAL OF BORROWING POWERS:

“RESOLVED THAT, pursuant to provisions of Section 179(3)(d), 180(1)(c) and any other applicable provisions of Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and further subject to the approval of the shareholders of the Company at their duly convened and conducted meeting, the consent of the Board of Directors of the Company be and is hereby accorded to borrow, from time to time, any sum(s) of monies (exclusive of interest) on such terms and conditions as the Board of Directors of Directors may determine, from anyone or more of the Company's bankers and/or from anyone or more other banks, persons, firms, companies/bodies corporate, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, issue of debentures, commercial papers, long/short term loans, suppliers' credit securities instruments such as floating rate notes, fixed rate notes, syndicated loans, commercial borrowing from the private sector window of multilateral financial institutions, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of



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the Company's assets, licenses and properties, whether immovable or movable and all or any of the undertaking of the Company, provided that the moneys to be borrowed together with the moneys already borrowed by the Company [apart from temporary loans obtained from the Company's bankers in the ordinary course of business] shall not exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount up to which the moneys may be borrowed by the Board of Directors and/or the Committee of Directors and outstanding at any time shall not exceed the sum of Rs. 50,00,00,000 (Rupees Fifty Crores only).

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to one or more director(s) and/or Company Secretary of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

5. FOR APPROVAL OF GIVING LOANS OR MAKING INVESTMENTS, GIVING GUARANTEES OR PROVIDING SECURITY IN CONNECTION WITH LOANS MADE UNDER SECTION 185 & 186 OF THE COMPANIES ACT, 2013:

"RESOLVED THAT, in supersession of earlier resolution passed in this regard in the Board meetings and the shareholder's meetings and pursuant to Sections 185, 186 and any other applicable provisions of Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and further subject to the approval of the shareholders of the Company at their duly convened and conducted meeting, the consent of the Board of Directors of the Company be and is hereby accorded to to (i) give any loans to any person or other body corporate, or (ii) give any guarantees or to provide security in connection with a loan to any other body corporate or person, or (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of company's paid up capital and its free reserves and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more as the Board of Directors may think fit, provided that the total loans or investments made, guarantees given, and securities provided shall not any time exceed Rs. 50,00,00,000 (Rupees Fifty Crores only)."

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to one or more director(s) and/or Company Secretary of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

6. TO APPROVE THE INITIAL PUBLIC OFFERING (IPO):

"RESOLVED THAT, pursuant to the provisions of Sections 23(1)(a), 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, modifications or reenactment thereof, for the time being in force) ("Companies Act, 2013") and the rules made thereunder, the Securities Contracts (Regulation) Act, 1956, as amended from time to time ("SCRA"), and the rules framed thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR



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Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI LODR Regulations”), the listing agreements to be entered into by the Company with the stock exchanges, where the equity shares of company are proposed to be listed (“Listing Agreements”), the Foreign Exchange Management Act, 1999 (“FEMA”) as amended from time to time, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time and other applicable laws, rules, regulations, policies or guidelines, including the rules, regulations, guidelines, notifications and circulars, if any, prescribed by the Government of India, Securities and Exchange Board of India (“SEBI”) or any other competent authority (collectively, the “Regulatory Authorities”), from time to time, to the extent applicable and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to approvals, consents, permissions and sanctions as might be required from the Regulatory Authorities including but not limited to the Department of Industrial Policy and Promotion, Government of India (“DIPP”), the SEBI, the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the jurisdictional Registrar of Companies (“ROC”) the stock exchange(s) and such other approvals, permissions and sanctions, as may be necessary, including any consent or approval under any contract or agreement and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and sanctions and subject to the approval of members of the Company in general meeting, the consent of Board of Directors (“Board”) of the Company be and is hereby accorded for an initial public offering of the equity shares of the Company, and the Board be and is hereby authorized to create, offer, issue and allot up to **42,00,000 (Forty Two Lakh)** fully paid-up Equity shares of the face value of ₹10/- (Rupees Ten Only) each at an Issue Price of ₹72/- (**Rupees Seventy Two only**) per equity share including a premium of ₹62/- (Rupees Sixty Two Only) per equity share, aggregating to **₹30,24,00,000/- (Rupees Thirty Crore Twenty Four Lakh Only)** in fixed price mechanism by way of a fresh issuance of Equity Shares, out of the authorized share capital of the Company, and at its discretion, such number of additional Equity Shares or up to such amount as the Board may decide (provided that such number of additional Equity Shares as board may deem fit offer to the public may be issued and allotted and / or transferred, as the case may be,

as may be required for the purposes of rounding off), to such person or persons, who may or may not be the members of the Company and as the Board may, at its sole discretion, decide in consultation with the Lead Manager (“LM”) so appointed, including but not limited to resident investors, eligible Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, qualified institutional buyers, eligible employees of the company, retail investors, body corporates, and such other persons in one or more combinations thereof, and/ or any other categories of investors (“Initial Public Offer”), which may include, reservation of a certain number of Shares for any category or categories of persons as permitted under applicable laws, including, without limitation, eligible employees, customers and shareholders (the “Reservation”), in the manner and on such terms and conditions as the Board may, in its absolute sole discretion, decide, in consultation with the LM and as permitted under applicable laws, and the decision to determine the category or categories of investors to whom the offer, issue and allotment/ transfer shall be made to the exclusion of all other categories of investors on such terms and conditions as may be finalized by the Board, in consultation with the LM, and that the Board may finalize all matters incidental thereto as it may in its absolute discretion think fit and to list the shares on the stock exchanges as may be decided by the Board from time to time.



“RESOLVED FURTHER THAT, the Board be and is hereby instructed to proceed with the Initial Public Offer as stated in the foregoing resolution in accordance with Chapter IX of SEBI ICDR Regulations.

“RESOLVED FURTHER THAT, Equity Shares to be issued by the company as mentioned in the foregoing resolution shall rank pair-passu with all existing Equity Shares of the company.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to make any alteration, addition or variation in relation to the Initial Public Offer, in consultation with the LM or Designated Stock Exchange or such other authorities as may be required and without prejudice to the generality of the aforesaid, decide the exact issue structure and the exact component of the issue structure, without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

“RESOLVED FURTHER THAT, for the purpose of giving effect to any offer, issue or allotment of Shares pursuant to the Initial Public Offer, the Board be and is hereby authorized on behalf of the company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of the Equity Shares, timing for issuance of such Shares and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, custodian, registrar, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s), including but not limited to draft prospectus, prospectus and/or offer documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any regulatory authority or stock exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Shares pursuant to the Initial Public Offer and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, appointment of intermediaries in consultation with the Lead Manager, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

“RESOLVED FURTHER THAT, for the purpose of giving effect to any offer, issue or allotment of Shares pursuant to the Initial Public Offer, the Board be and is hereby authorized on behalf of the company to seek listing of such Shares on one or more stock exchanges in India including SME platform;


“RESOLVED FURTHER THAT, the certified copies of this resolution be provided to those concerned under the hands of any Director and/or Company Secretary of the company wherever required.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee, any one or more executive directors, Company Secretary,



Chief Financial Officer or any other Key Managerial Personnel of the company subject to such restrictions as may be imposed under the Act or any other law for the time being in force.”

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
M/S. SATOL CHEMICALS LIMITED
(Formerly Known as Satol Chemicals Private Limited)**


**BHAVESH THAKARSHIBHAI PARSANA
MANAGING DIRECTOR
DIN:08515430
PLACE: MUMBAI
DATE: 27/09/2024**



NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and that the proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing the proxy must be deposited at the registered office of the Company not later than 48 hours before the schedule time of the meeting.
3. An Explanatory Statement as required under section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Extra-ordinary General Meeting is annexed hereto.
4. The route map showing directions to reach the venue of Annual General Meeting is annexed.
5. A Corporate Member intending to send its authorized representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.



EXPLANATORY STATEMENT

[Pursuant to the Section 102 (1) of the Companies Act, 2013]

(Pursuant to Section 102 (1) of the companies Act, 2013 relating to Business contained in the accompanying Notice dated 16.08.2024)

ITEM NO.3

i) Information and Facts about proposed Resolutions:

Issue of 1,11,37,200 (One crore Eleven Lakh Thirty-Seven Thousand Two Hundred) Equity Shares as Bonus Shares:

The Board of Directors in its meeting held on 27th September, 2024 considered and approved the bonus issue of 1,11,37,200 (One crore Eleven Lakh Thirty-Seven Thousand Two Hundred) Equity Shares subject to approval of members at the General Meeting. Accordingly, this resolution seeks the approval of Members for capitalization of the amount standing to the credit of Free Reserves and issue of bonus shares.

The Board proposed to issue 1,11,37,200 (One crore Eleven Lakh Thirty-Seven Thousand Two Hundred) Equity Shares by way of Bonus issue in the proportion of 600:1, 600 (Six hundred) new equity shares of Rs. 10/- each for every 1 (One) existing fully paid equity share of Rs. 10/- each held by the shareholders on a ("Record Date") to be fixed by the Board of Directors.

The proposed issue of Bonus shares will be made in accordance with the provisions of Companies Act, 2013 and subject to Articles of Associations and such approvals, if required from the statutory authorities.

The Board recommends the resolution set forth above for approval of the members by way of an Ordinary Resolution.

ITEM NO.4

i) Information and Facts about proposed Resolutions:

As per Section 180(1)(c) of the Companies Act, 2013 read with Rules framed thereunder, the Company is required to obtain prior approval of the Members by way of Special Resolution for borrowing money when the money to be borrowed together with the money already borrowed by the Company exceeds the aggregate of the paid-up share capital and free reserves apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

Consent of the members is therefore sought to enable the Company to borrow money, with the limit as set out in the resolution.

The Board of Directors, therefore recommends the Resolution to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.



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ITEM NO.5

i) Information and Facts about proposed Resolutions:

Section 186 (2) (b) of the Companies Act 2013 ("the Act") states that No company shall directly or indirectly give any loan to any person or other body corporate; give any guarantee or provide security in connection with a loan to any other body corporate or person; and give any guarantee or provide security in connection with a loan to any other body corporate or person exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. However, Section 186 (3) of the Companies Act 2013 states that where the giving of any loan or guarantee or providing any security or the acquisition exceeds the limits specified as above, prior approval by means of a special resolution passed at a general meeting shall be necessary.

Further pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting. It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the notice. The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

Hence in the light of the above, the Board of Directors recommends passing of this resolution as a special resolution.

None of the directors, key managerial personnel or their relatives are interested in the said resolution financially or otherwise.

ITEM NO.6

i) Information and Facts about proposed Resolutions:

The company proposes to raise funds by creating, offering, issuing and allotting up to **42,00,000 (Forty Two Lakh)** fully paid-up Equity shares of the face value of ₹10/- (Rupees Ten Only) each at an Issue Price of ₹72/- (**Rupees Seventy Two only**) per equity share including a premium of ₹62/- (Rupees Sixty Two Only) per equity share, aggregating to **₹30,24,00,000/- (Rupees Thirty Crore Twenty Four Lakh Only)** in fixed price mechanism by way of a fresh issuance of Equity Shares, out of the authorised share capital of the Company in accordance with the applicable laws, including but not limited to the Companies Act, 2013 and securities and exchange board of India (Issue of capital and disclosure requirements Regulations, 2018) as amended ('SEBI ICDR Regulations').

The object of the issue is to achieve the benefit of listing the equity shares of the company on the stock



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exchange. The listing of the Equity shares will enhance the company's Brand name and provide liquidity to the existing shareholders. The resources raised through the issue may facilitate company's capital expenditure, repayment of loan, working capital requirements, meet the issue expenses, general corporate expenses and to meet any exigencies including pursuing new opportunities, etc.

The Board of Directors of the Company believes that the issue of securities to investors whether existing shareholders or not, is in the interest of the Company and therefore recommends the resolution for your approval by way of special resolution.

Attention of the members is drawn to the provisions pertaining to Lock-in and Restrictions on Transferability as stipulated in Part IV of Chapter IX of SEBI (ICDR) Regulations, 2018 ("ICDR"), pursuant to which the equity shares of the Company existing before the initial public offer shall be locked-in for:


- a) a period of three years from the date of allotment in the initial public offer, for the minimum promoters' contribution i.e., 20% of the post initial public offer ("IPO") shares held by the promoters of the Company, as defined in ICDR;
- b) a period of one year from the date of allotment in the initial public offer, in case of promoters' holding in excess of the minimum promoters' contribution i.e., 20% of the post IPO shares held by the promoters of the Company and shares held by persons other than the promoters.

Please note that the above time period is subject to changes in line with any amendment(s) in the ICDR. Furthermore, the lock-in period may increase subject to any encumbrance or any other law for the time being in force.

Except to the extent of their shareholding and remunerations, no Director, Key Managerial Personnel and their relatives respectively are interested in the foregoing resolution.

As required by Section 102(3) of the Companies Act, 2013, the related documents shall be available for inspection at the registered office of the Company during business hours.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
M/S. SATOL CHEMICALS LIMITED
(Formerly Known as Satol Chemicals Private Limited)**


**BHAVESH THAKARSHIBHAI PARSANA
MANAGING DIRECTOR
DIN:08515430
PLACE: MUMBAI
DATE: 27/09/2024**



**ROUTE MAP OF THE VENUE OF THE
ANNUAL GENERAL MEETING OF THE COMPANY**

AGM Venue:

102, Shreemad Gokul Apartments CHS Ltd Near MCF Club, Off S V Road, Borivali (W),
Mumbai City, MUMBAI, Maharashtra, India, 400092

Prominent Landmark:

MCF Club


Link: <https://maps.app.goo.gl/CNevJVxeZngJzGEK6>




Google Maps

Railway Station, Kasthurba Rd, opposite Borivali East, Drive 1.2 km, 6 min
Chinchpada, Borivali East, Mumbai, Maharashtra 400066, India to Gokul
Apartments, Gokul Apartment, Mahatma Gandhi Rd, Chinchpada, Borivali
East, Mumbai, Maharashtra 400066, India



- 

 via Mahatma Gandhi Rd 6 min
 Fastest route now due to traffic conditions 1.2 km
- 

 via Main Carter Rd and Mahatma Gandhi Rd 6 min
 Heavy traffic, as usual 1.1 km

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-  Restaurants
-  Hotels
-  Gas stations
-  Parking Lots
-  More



Directors' Report

Dear Members,

Your directors have pleasure in presenting this Directors Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2024.

1. Financial Summary or performance of the company:**(Amount in ₹)**

PARTICULARS	YEAR ENDED 31.03.2024	YEAR ENDED 31.03.2023
Total Income	47,42,41,792.76	42,27,76,708.18
Profit before Tax	6,77,23,082.30	2,41,85,670.66
Less: Tax Expenses		
Current Tax	(1,16,21,165.67)	(41,54,018)
Deferred Tax	(5,82,357.04)	(5,51,011)
Profit after Tax	5,55,19,559.57	1,94,80,641.66
Add: Balance brought forward	2,43,79,038.72	48,98,396.99
Net Profit available for appropriation	7,98,98,598.31	2,43,79,038.72

2. State of Company's affairs

The Company has reported total income (PBT) of ₹6,77,23,081.79/- for the current year as compared to total income of ₹2,41,85,670.66/- for the previous year. The net profit for the year under review amounted to ₹5,55,19,559.17/- in the current year as compared to net profit of ₹1,94,80,641.66/- for the previous year.

3. Transfer to reserves

The company has not transferred any amount to general reserves.

4. Dividend

Since the Directors of the Company intend to maintain the reserves for future growth, the Company decided not to recommend any dividend for the Financial Year ended 31st March, 2024.

5. Share Capital

The paid-up Equity Share Capital as on March 31, 2024 was ₹ 1,00,000/-. During the year under review, the Company has not issued any equity shares with or without differential voting rights nor granted stock options nor sweat equity.

6. Material Changes between the date of the Board report and end of financial year.

The following have been the material changes between the date of board report and end of financial year:

- Mr.Fayyaz Asrar Ahmed (DIN: 10554565) is appointed as an additional director in the board meeting held on 28th March, 2024; his appointment being regularized in the ensuing EGM dated 6th April, 2024.

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- Conversion of Loan from Directors into Equity initiated by filing of MGT-14 and the Loan Conversion Agreement on 29th May, 2024.
- The Company is converted from Private Limited to un-listed Public Limited Company via approval of INC 27 dated 1st July, 2024. Consequently, the Memorandum of Association of the Company is altered and new set of Articles of Association is adopted by the Company.
- Resignation of Previous Auditors and appointment of new auditors to fill in the casual vacancy was taken on agenda in the board meeting held on 5th July, 2024.
- Re-designation of Mr.Bhavesh Thakarshibhai Parsana (DIN: 08515430) as the Managing Director of the Company and Mrs.Mayuri Bhavesh Parsana (DIN: 01302733) as Executive Director of the Company.
- Approval of Members of the Company for conversion of loan from directors of the company into equity and approval to proceed with the necessary filings and documents in the EGM dated 10th July, 2024.
- Appointment of the following on the Board of the Company:

The following appointments were made in the Board Meeting held on 5th July, 2024 and approved by the members of the Company in the EGM dated 10th July, 2024.

- ✓ Mr.Darshil Hemendra Shah (DIN: 09013533) – Independent Director
- ✓ Mrs.Shivani Kapoor (DIN: 10533998) – Independent Director
- ✓ Mr.Dnyanesh Vishnu Darshane (DIN: 08515431) – Non-Executive Director
- ✓ Mr.Ravikumar Shriram Malkhede (DIN: 08447589) - Non-Executive Director

7. Provision of financial assistance to the employees of the company for the purchase of its own shares.

The company has not provided any financial assistance to its employees as per section 67 of the Companies Act, 2013. And employees of the company do not exercise any voting right in the company directly or indirectly.

8. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

9. Subsidiaries, Associates and Joint Ventures:

As on 31st March, 2024, the Company does not have any Subsidiary Company or Associates or Joint Ventures as defined under the provisions of the Companies Act, 2013.

10. Statutory Auditor & Audit Report:

M/s Vijay Darji and Associates, Chartered Accountants having firm registration number 118614W hold office as statutory auditors of the company until the conclusion of the Annual General Meeting of the Company for the year ended 31st March, 2024 as their appointment was made to fill up the casual vacancy caused due to resignation of previous auditor.



The auditors have confirmed that, their appointment would be in accordance with the Section 139 of the Act, and the rules made there under and that they are not disqualified in terms of Section 141 of the Act.

There are no qualifications or observations or remarks made by the Auditors in their Report.

11. Change in the nature of business:

There is no change in the nature of the business of the company

12. Details of directors or key managerial personnel;

During the financial year there was no change in the Directors.

13. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended 31st March, 2024. There were no unclaimed or unpaid deposits as on 31st March, 2024.

14. Conservation of energy, technology absorption, 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 annexed herewith as "Annexure - A".

15. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

16. Number of meeting of the Board:

During the year 2023-24, the Board of Directors met 4 times.

17. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2024 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and



- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. Declaration by Independent Directors

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

19. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Company, being a Private Limited Company was not required to constitute a nomination and remuneration committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

20. Audit Committee

The Company, being a Private Limited Company was not required to constitute Audit Committee under Section 177(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

21. Establishment of Vigil Mechanism

The Company was not required to establish Vigil Mechanism under Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 as the company is a Private Limited Company and the company has not accepted any deposit from the public nor company has borrowed money from banks and public financial institution in excess of fifty crore rupees.

22. Disclosure with respect to Directors' and Key Managerial Personnels' remuneration.

The company being a Private Limited Company the provisions of section 197(12), 197(14) and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

23. Secretarial Audit Report

The company is an Unlisted Public Limited Company and the paid-up share capital of the company is less than ₹50crores, the turnover of the company is less than ₹250crores and the outstanding loans or borrowings of the Company from banks or public financial institutions during the financial year 2023-24 does not exceed Rupees one hundred crore, therefore, the provisions of Secretarial Audit under Section 204 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

24. Particulars of loans, guarantees or investments:

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



25. Annual Return

Pursuant to Section 92 & 134 of the Companies Act, 2018 read with Rule 12 of The Companies (Management and Administration) Rules, 2014, Every Company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report as amended by the Companies (Management and Administration) Amendment Rules, 2021.

Since, the Company does not have any website, disclosure to the aforesaid is not applicable to the company.

26. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

27. Internal Control Systems and their Adequacy

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively.

28. Risk management policy

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

29. Related Party Transactions

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2 is annexed herewith as "Annexure - B" to this report

30. Prevention of Sexual Harassment of Women at Workplace

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received regarding Sexual Harassment.

31. Compliance with Secretarial Standard:

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards (1 & 2) issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.



32. Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors



Bhavesh Thakarshibhai Parsana
Managing Director
DIN: 08515430

Place: Mumbai
Dated: 14-08-2024



Mayuri Bhavesh Parsana
Director
DIN: 01302733



ANNEXURE – A

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

1)	the steps taken or impact on conservation of energy;	The Company has regularly conducted the seminars to educate the employees of the Company to conserve the energy.
2)	the steps taken by the company for utilizing alternate sources of energy;	Adequate capacitors have been installed to reduce consumption of power. Machines are not left on stand-by mode to ensure power is aptly utilized. The company has installed LED lights instead of CFL lights.
3)	the capital investment on energy conservation equipments;	N.A.

(B) Technology absorption-

1)	the efforts made towards technology absorption;	NIL
2)	the benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
3)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);	NIL
4)	the expenditure incurred on Research and Development;	NIL

(C) Foreign exchange earnings and Outgo-

During the year, the company has made imports to the tune of ₹2,14,23,811.08 and exports of ₹95,87,760. These transactions have led to a net foreign exchange fluctuation (Dr) of ₹1,76,933.04 during the year.



Manufacturing Unit
Plot No. 4923, Near Technotrap
Plastic Zone, Manda Village, GIDC Sarigam
Tal. Umargam, Dist. Valsad, Gujarat - 396 155

ANNEXURE – B

Form AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	-	-	-	-	-	-	-

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
-Bhavesh Thakarshibhai Parsana – Director	- Current	- Annual	₹(17,74,537.02)	-	-
	- Directors Remuneration	- Annual	₹18,00,000		
- Mayuri Bhavesh Parsana - Director	- Current	-Annual	₹(78,743)		
	- Directors Remuneration	-Annual	₹10,20,000		



Manufacturing Unit

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Tal. Umargam, Dist. Valsad, Gujarat - 396 155



CA VIJAY DARJI
MCOM, LLB(GEN), FCA

VIJAY DARJI AND ASSOCIATES CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Satol Chemicals Limited
(Formerly known as Satol Chemicals Private Limited)

Report on the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of Satol Chemicals Limited (Formerly known as Satol Chemicals Private Limited) ("the Company"), which comprises of the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended March 31, 2024 and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements for the year ended March 31, 2024 under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During our audit, we have not come across any matter to be identified as Key Audit Matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON.

The Company's Board of Directors is responsible for 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 and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India and in compliance with the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2015, as amended.



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vijaydarjifca@gmail.com

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

In preparing the Standalone Financial Results, the Board of Directors 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 the Board of Directors either intend to liquidate the company or to cease operations or has no realistic alternative but to do so.

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

AUDITORS RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true



and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced.

We consider quantitative materiality and qualitative factors in:

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the Standalone Financial Results.

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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014, as amended.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations that would have an impact on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required, under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v.
 - a) The Company has not proposed, declared and paid any dividend during the year in accordance with the provisions of Sec 123 of The Companies Act, 2013.
 - b) The Company has not proposed, declared and paid any interim dividend during the year in accordance with the provisions of The Companies Act, 2013.
 - c) The Board of Directors of the Company have not proposed any dividend which is subject to the approval of the members at the Annual General Meeting.
 - vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.



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

For Vijay Darji and Associates
Chartered Accountants


CA Vijay Darji
Proprietor
M.No: 105197
FRN: 118614W
Place: Mumbai
Date: 14/08/2024
UDIN: 24105197BKFMXA2813





CA VIJAY DARJI
MCOM, LLB(GEN), FCA

VIJAY DARJI AND ASSOCIATES CHARTERED ACCOUNTANTS

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Satol Chemicals Limited (Formerly known as Satol Chemicals Private Limited) of even date)

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 Satol Chemicals Limited (Formerly known as Satol Chemicals Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENTS RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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.



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vijaydarjifca@gmail.com

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vijay Darji and Associates
Chartered Accountants



CA Vijay Darji
Proprietor
M.No: 105197
FRN: 118614W
Place: Mumbai
Date: 14/08/2024
UDIN: 24105197BKFMXA2813





CA VIJAY DARJI
MCOM, LLB(GEN), FCA

VIJAY DARJI AND ASSOCIATES CHARTERED ACCOUNTANTS

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Satol Chemicals Limited (Formerly known as Satol Chemicals Private Limited) of even date)

- i. In respect of Company's Property, Plant and Equipment, right of use asset and intangible assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
(C) In respect of Immovable property 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.
 - (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the details provided to us, we report that all the Property, Plant and Equipment held by the Company are in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect of Company's Inventory:
 - (a) According to the information given to us, physical verification of Inventory has been conducted by the management on a timely basis at reasonable intervals, having regards to the size of the Company and nature of business.
 - (b) The Company has not taken any fresh working capital limits during the year from any banks or financial institutions on the basis of security of current assets and hence reporting under this clause is not applicable. However, the Company has an existing Bank Overdraft Facility availed in the earlier years which is less than ₹5 crores.
 - (c) No material discrepancies having an impact on the financial position of the company as on the said date were noticed during the physical verification of inventory.
 - (d) The Company, having availed working capital facilities from HDFC Bank against hypothecation of its Stock, is required to file quarterly statements with financial institutions or banks in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, LLP's or any other parties covered in the registers maintained u/s 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.



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vijaydarjifca@gmail.com

- vi. The maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable and hence provisions of clause 3 (vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities.
 - (b) The above undisputed amounts payable in respect of TDS, Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues are in arrears as at March 31, 2024 for a period of less than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in the repayment of principal or interest on any borrowings during the year. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year. The existing outstanding term loans at the beginning of the year have been paid by way of regular monthly EMI's. There has been no delay or default by the company in the said matter.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a) The Company has not raised moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, Company has not made any private placement or preferential allotment of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report. Hence reporting under this clause is not applicable to the Company.
- c) No whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 187 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.






- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
b) Since Internal Audit is not applicable to the Company, reporting under this clause is not applicable.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been resignation of Statutory Auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions governing Corporate Social Responsibility (CSR) as per Sec 135 of The Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For Vijay Darji and Associates
Chartered Accountants-

CA Vijay Darji
Proprietor
M.No: 105197
FRN: 118614W
Place: Mumbai
Date: 14/08/2024
UDIN: 24105197BKFMXA2813



SATOL CHEMICALS LIMITED (Formerly Known as Satol Chemicals Private Limited) Balance Sheet as at 31.03.2024			
(All Figures in Rs.)			
Particulars	Note No	Figures as at the end of current reporting period 31.03.2024	Figures as at the end of current reporting period 31.03.2023
II. EQUITY & LIABILITIES			
(I) Shareholders Funds			
(a) Equity Share Capital	1	1,00,000.00	1,00,000.00
(b) Reserves & Surplus	2	7,98,98,598.31	2,43,79,038.72
(c) Money Received against Share Warrants	-	-	-
Total Shareholders Funds (A)		7,99,98,598.31	2,44,79,038.72
(2) Share Application Money Pending Allotment			
(a) Long Term Borrowings	3	31,03,964.80	42,96,277.00
(b) Deferred Tax Liabilities (Net)	4	19,24,041.04	13,41,684.00
(c) Other Long-Term Liabilities	5	6,85,00,000.00	6,85,00,000.00
(d) Long-Term Provisions	6	-	-
Total Non-Current Liabilities (B)		7,35,28,005.84	7,41,37,961.00
(4) Current Liabilities			
(a) Short-Term Borrowings	7	3,18,26,634.02	4,22,42,889.93
(b) Trade Payables	8	-	-
- Total Outstanding dues of Micro Enterprises and Medium Enterprises		4,03,48,700.84	3,27,87,258.85
- Total Outstanding dues of Creditors other than Micro Enterprises and Medium Enterprises		2,67,99,652.97	1,66,43,730.90
(c) Other Current Liabilities	9	2,35,65,619.13	4,67,14,477.11
(d) Short-Term Provisions	10	1,16,25,620.67	44,43,086.90
Total Current Liabilities (C)		13,41,66,227.63	14,28,31,443.69
Total Equity and Liabilities (A+B+C)		28,76,92,831.78	24,14,48,443.41
I. ASSETS			
(1) Non-Current Assets			
(a) Property Plant & Equipment and Intangible Assets		-	-
(i) Property Plant & Equipment	11	5,23,08,347.03	5,49,57,693.03
(ii) Intangible Assets	-	-	-
(iii) Capital Work in Progress	11	1,07,64,952.07	-
(iv) Intangible Assets under Development	-	-	-
(b) Non-Current Investments	-	-	-
(c) Deferred Tax Assets (net)	12	-	-
(d) Long Term Loans and Advances	13	-	-
(e) Other Non-Current Assets	14	-	11,800.00
Total Non-Current Assets (A)		6,30,73,299.10	5,49,69,493.03
(2) Current Assets			
(a) Current Investments	-	-	-
(b) Inventories	15	6,44,64,074.94	3,50,52,958.00
(c) Trade Receivables	16	14,90,72,118.07	14,46,39,571.51
(d) Cash and Cash Equivalents	17	12,87,446.77	8,11,842.65
(e) Short-Term Loans and Advances	18	84,89,948.52	50,03,130.18
(f) Other Current Assets	19	13,05,944.38	9,71,448.04
Total Current Assets (B)		22,46,19,532.68	18,64,78,950.38
Total Assets (A+B)		28,76,92,831.78	24,14,48,443.41
Significant Accounting Policies 29			
The accompanying notes are an integral part of the financial statements			
As per our Report of Even Date			
For Vijay Darji And Associates		For Satol Chemicals Limited	
Chartered Accountants		(Formerly known as Satol Chemicals Private Limited)	
CA Vijay Darji Proprietor M.No. 105197 FRN: 118614W UDIN: 24105197BKFMXA2813 Place: Mumbai Date: 14th August, 2024		 Managing Director Bhavesh Thakarshibhai Parsana DIN: 08515430	 Director Mayuri Bhavesh Parsana DIN: 01302733



SATOL CHEMICALS LIMITED
(Formerly Known as Satol Chemicals Private Limited)
Statement of Profit and Loss for the year ended 31.03.2024

(All Figures in Rs.)

Particulars	Note No	Figures as at the end of current reporting period 31.03.2024	Figures as at the end of previous reporting period 31.03.2023
I. Revenue From Operations	20	47,41,27,457.13	42,26,33,941.00
II. Other Income (Net)	21	1,14,335.63	1,42,765.18
III. Total Income (I +II)		47,42,41,792.76	42,27,76,706.18
<i>IV. Expenses:</i>			
Cost of Materials Consumed	22	25,37,03,689.39	28,23,41,354.45
Purchase of Stock-in-Trade	23	-	-
Manufacturing and operating cost	24	2,37,95,871.91	2,33,92,689.60
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(1,24,45,975.06)	(98,86,439.00)
Employee Benefit Expense	26	5,03,53,783.33	3,18,91,191.65
Finance Costs	27	34,82,279.16	33,12,651.77
Depreciation and Amortization expense	11	30,58,833.00	26,78,747.00
Other Expenses	28	8,45,70,228.73	6,48,60,840.05
IV. Total Expenses		40,65,18,710.46	39,85,91,035.52
V. Profit before exceptional and extraordinary items and tax	(III - IV)	6,77,23,082.30	2,41,85,670.66
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		6,77,23,082.30	2,41,85,670.66
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		6,77,23,082.30	2,41,85,670.66
X. Tax expense:			
(1) Current Tax		1,16,21,165.67	41,54,018.00
(2) Deferred Tax		5,82,357.04	5,51,011.00
(3) Mat Credit Entitlement		-	-
XI. Profit(Loss) from the period from continuing operations		5,55,19,559.59	1,94,80,641.66
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		5,55,19,559.59	1,94,80,641.66
XVI. Earning per equity share:			
(1) Basic		5,551.96	1,948.06
(2) Diluted		5,551.96	1,948.06
No of Share outstanding			

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Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

As per our Report of Even Date

For Vijay Darji And Associates

Chartered Accountants

Cy Vijay Darji

Proprietor

M.No. 105197

FRN: 118614W

UDIN: 24105197BKFMXA2813

Place: Mumbai

Date: 14th August, 2024

For Satol Chemicals Limited
(Formerly known as Satol Chemicals Private Limited)

Managing Director

Bhavesh

Thakarshibhai

DIN: 08515430

Director

Mayuri Bhavesh

Parsana

DIN: 01302733

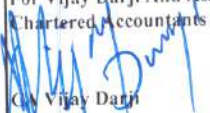


SATOL CHEMICALS LIMITED
(Formerly Known as Satol Chemicals Private Limited)
Cash Flow Statement for the Year ended 31st March, 2024

(All Figures in Rs.)

Particulars	Current Year	Previous Year
Cash flow from Operating Activity		
Net Profit/(Loss) before tax and extraordinary items	6,77,23,082.30	2,41,85,670.66
Adjustment for		
Depreciation	30,58,833.00	26,72,847.00
Interest on borrowings	32,99,363.55	32,00,264.27
Interest on FDR	(60,788.70)	(34,322.61)
Deferred Tax Adjustment	(5,82,357.04)	(5,51,011.00)
Income Tax Paid	(1,16,21,165.67)	(38,76,528.41)
Total adjustment	(59,06,114.86)	14,11,249.25
Operating profits before working capital changes	6,18,16,967.44	2,55,96,919.91
(Increase)/Decrease in Stock	(2,94,11,116.94)	(2,49,43,198.00)
(Increase)/Decrease in Debtors	(44,32,546.56)	(4,02,73,521.00)
(Increase)/Decrease in Loans & Advances	(34,86,818.34)	13,45,381.00
(Increase)/Decrease in Non-Current Assets	-	5,900.00
(Increase)/Decrease in Other Current Assets	(3,34,496.34)	(4,11,437.00)
Increase/(Decrease) in Creditors	1,77,17,364.06	4,14,11,366.00
Increase/(Decrease) in Other Current Liabilities	(2,31,48,857.98)	27,87,188.00
Increase/(Decrease) in Other Non-Current Liabilities	5,82,357.04	5,51,011.00
Increase/(Decrease) in Short Term Provisions	71,82,533.77	41,54,018.00
Total Change in working capital	(3,53,31,581.29)	(1,53,73,292.00)
Net cash flow from operating activity	2,64,85,386.15	1,02,23,627.91
Purchase of fixed assets	(3,97,687)	(38,48,745.00)
Sale of Fixed Assets	-	19,37,751.00
Capital Work in Progress	(1,07,64,952.07)	-
Interest received	60,788.70	34,322.61
Net cash flow from investing activity	(1,11,01,850.37)	(18,76,671.39)
Increase/(Decrease) in Long Term Borrowings	(11,92,312.20)	(36,03,722.00)
Increase/(Decrease) in Short Term Borrowings	(1,04,16,255.91)	(14,40,377.00)
Interest on Loans	(32,99,363.55)	(32,00,264.27)
Net cash flow from financing activity	(1,49,07,931.66)	(82,44,363.27)
Net increase/(decrease) in cash and cash equivalents	4,75,604.12	1,02,593.25
Cash and cash equivalents at the beginning of the year	8,11,842.65	7,09,249.00
Cash and cash equivalents at the end of the year	12,87,446.77	8,11,842.25

Significant Accounting Policies Note No 29
The accompanying notes are an integral part of the financial statements
As per our Report of Even Date
For Vijay Darji And Associates
Chartered Accountants



C/o Vijay Darji
Proprietor
M.No. 105197
FRN: 118614W
UDIN: 24105197BKFMXA2813
Place: Mumbai
Date: 14th August, 2024



For Satol Chemicals Limited

(Formerly known as Satol Chemicals Private Limited)


Managing Director
Bhavesh Thakarshibhai
Parsana
DIN: 08515430


Director
Mayuri Bhavesh Parsana
DIN: 01302733

Note:

- (i) The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
- (ii) Figures of the previous year have been regrouped/rearranged wherever necessary.
- (iii) Figures in Brackets are Outflow/Deductions.



NOTES TO BALANCE SHEET
Balance Sheet as at 31st March, 2024
Note 1 - Share Capital

(All Figures in Rs.)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<u>Authorised Capital</u>		
1,50,000 equity shares of ₹10 each	15,00,000.00	15,00,000.00
<u>Issued, Subscribed & Paid up</u>		
10,000 Equity Shares of ₹10 each, Fully Paid	1,00,000.00	1,00,000.00
Total	1,00,000.00	1,00,000.00

Reconciliation of Issued, Subscribed and Paid-Up Share Capital

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<u>Issued, Subscribed and Paid-Up Share Capital</u>		
No of Shares Outstanding at the Beginning of the year	10,000.00	10,000.00
Add: No of shares issued during the year	-	-
Total No of Shares Outstanding at the end of the year	10,000.00	10,000.00

The company has only one class of equity Shareholders having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

PARTICULARS	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Mr. Bhavesh T Parsana	8,000.00	80.00%	8,000.00	80.00%
Mrs. Mayuri Bhavesh Parsana	1,995.00	19.95%	2,000.00	20.00%
			-	

Details of shares held by promoters of the company

PARTICULARS	As at 31st March, 2024		
	No. of Shares Held	% of Holding	% change during the year
Mr. Bhavesh T Parsana	8,000.00	80.00%	0.00%
Mrs. Mayuri Bhavesh Parsana	1,995.00	19.95%	0.25%

Note 2 - Other Equity

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<u>Profit & Loss A/c</u>		
-Previous year	2,43,79,038.72	48,98,396.99
-Transfer from Profit & Loss Account	5,55,19,559.59	1,94,80,641.73
	7,98,98,598.31	2,43,79,038.72
<u>Securities Premium</u>		
-Opening Balance	-	-
-Amount Transferred during the Year	-	-
Total	7,98,98,598.31	2,43,79,038.72



Note 3 - Long Term Borrowings

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<u>Long Term Borrowings from Bank:</u>		
(a) Secured		
- Term Loan from HDFC Bank Ltd (Secured against mortgage of Office Premises and Residential Premises and Personal Guarantee of the Directors Mr.Bhavesh Parsana and Mrs.Mayuri Parsana) - The Loan of ₹99,14,731 is sanctioned on March 08, 2021 for a term of 63 months to be paid in equal monthly instalments	31,03,964.80	42,96,277.00
Total	31,03,964.80	42,96,277.00

Note 4 - Deferred Tax Liabilities

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Deferred Tax Liabilities on account of		
-Opening Balance	13,41,684.00	7,90,673.00
- During the year	5,82,357.04	5,51,011.00
Total	19,24,041.04	13,41,684.00

Note 5 - Other Long-Term Liabilities

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<u>Long Term Loans</u>		
(a) From Directors		
- Bhavesh Parsana	6,75,00,000.00	6,75,00,000.00
- Mayuri Parsana	10,00,000.00	10,00,000.00
	6,85,00,000.00	6,85,00,000.00

Note 6 - Long-Term Provisions

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
NIL	-	-
	-	-



Note 7 - Short-Term Borrowings

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
(a) Loans Repayable on Demand:		
- (A) From Banks		
- (i) Secured		
- HDFC O/D Account No 50200052683235	2,96,54,801.06	3,10,59,618.15
(Secured against Primary Security of Stock less than 180 days, Book Debts less than 90 days, Plant & Machinery and Personal Guarantee of Directors)		
- (B) From Other Parties		
(b) Loans & Advances from Related Parties		
- Satol Chemicals Unit II	3,45,839.76	86,44,974.78
- Mayuri Parsana	118.00	78,861.00
(c) Deposits		
(d) Other Loans & Advances		
Current Maturities of Long-Term Borrowings	18,25,875.20	24,59,436.00
Total	3,18,26,634.02	4,22,42,889.93

Note 8 - Trade Payables

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
- Sundry Creditors Trade-MSME	4,03,48,700.84	3,27,87,258.85
- Sundry Creditors Trade-Non MSME	2,67,99,652.97	1,66,43,730.90
Total	6,71,48,353.81	4,94,30,989.75

Trade Payables Ageing Schedule (31/03/2024)

Particulars	Outstanding for following periods from due date of Payment#				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	4,03,28,712.84	19,988.00			4,03,48,700.84
(ii) Others	2,26,30,332.95	22,14,907.74	19,54,412.28		2,67,99,652.97
(iii) Disputed Dues - MSME					-
(iii) Disputed Dues - Others					-
Total	6,29,59,045.79	22,34,895.74	19,54,412.28	-	6,71,48,353.81

Note 9 - Other Current Liabilities

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Advance Received from Parties	11,58,439.70	5,77,109.63
Commission Payable	1,00,93,115.00	89,90,093.00
Incentives Payable	18,32,051.00	20,86,738.00
Outstanding Expenses	54,79,096.65	3,03,79,558.91
Outstanding Statutory Dues	50,02,916.78	46,80,977.57
Total	2,35,65,619.13	4,67,14,477.11



Note 10 - Short-Term Provisions

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Provision for Tax	1,16,21,165.67	44,38,060.90
Waste Water Cleaning - Payable	4,455.00	5,026.00
Total	1,16,25,620.67	44,43,086.90

Note 12 - Deferred Tax Assets

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Deferred Tax Assets on account of		
-Opening Balance	-	-
- During the year	-	-
Total	-	-

Note 13 - Long-Term Loans & Advances

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
a)Capital Advances		
Unsecured considered good	-	-
b) Other loan and Advances		
Unsecured considered good	-	-
Total	-	-

Note 14 - Other Non Current Assets

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Preliminary Expenses (to the extent not written off)	-	11,800.00
Total	-	11,800.00

Note 15 - Inventories

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Raw Materials	2,61,62,281.61	1,87,71,796.39
Semi-Finished Goods	25,01,275.55	19,84,422.61
Finished Goods	2,42,41,438.51	1,19,38,705.00
<u>Others:</u>		
-Packing Material	69,96,462.89	23,58,034.00
-Hardware	45,11,944.88	-
-Lab	50,671.50	-
(All the above inventory has been valued at Cost or Market Price; whichever is less)		
Total	6,44,64,074.94	3,50,52,958.00

Note 16 - Trade Receivables

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables outstanding for a period exceeding six months from the date		
Unsecured considered good	6,20,19,713.61	93,35,029.58
Unsecured considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Trade Receivables outstanding for a period less than six months from the date they		
Secured considered good	8,70,52,404.46	13,53,04,541.93
Unsecured considered good		
Total	14,90,72,118.07	14,46,39,571.51



Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of Payment#					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	8,70,52,404.46	33,72,691.27	5,86,47,022.34			14,90,72,118.07
(ii) Undisputed Trade Receivables - considered doubtful						-
(iii) Disputed Trade Receivables - considered good						-
(iv) Disputed Trade Receivables - considered Doubtful						-
Total	8,70,52,404.46	33,72,691.27	5,86,47,022.34	-	-	14,90,72,118.07

Note 17 - Cash and Cash Equivalents

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash equivalents		
a) Balance with Schedule Bank - In Current Accounts	20,189.13	3,194.87
Other bank balances -FDR A/c	7,17,984.10	6,75,205.00
b) Cheque Deposited but not Credited	-	-
c) Cash in hand	5,49,273.54	1,33,442.78
Total	12,87,446.77	8,11,842.65

Note 18 - Short Term Loans & Advances

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Advance given to Parties	7,42,495.50	1,94,934.00
Balance with Statutory Authorities	74,17,100.63	41,76,683.38
Loan to Staff	79,942.80	2,53,074.80
Prepaid Expenses	2,50,409.59	3,78,438.00
Total	84,89,948.52	50,03,130.18

Note 19 - Other Current Assets

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Security Deposit	13,01,811.68	9,71,448.04
Accrued Interest on FD	4,132.70	-
	13,05,944.38	9,71,448.04



NOTES TO STATEMENT OF PROFIT AND LOSS ACCOUNT
Statement of Profit & Loss Account for the year ended 31st March (All Figures in Rs.)

Note 20 - Revenue from Operations

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<u>Indigenous Sales:</u>		
(a) Manufactured Goods	46,52,44,211.04	41,95,37,521.00
(b) Traded Goods	-	-
Total (A)	46,52,44,211.04	41,95,37,521.00
<u>Export Sales:</u>		
(a) Manufactured Goods	88,83,246.09	30,96,420.00
(b) Traded Goods	-	-
Total (B)	88,83,246.09	30,96,420.00
Other Operating Revenues	-	-
Total (A+B+C)	47,41,27,457.13	42,26,33,941.00

Note 21 - Other income

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Bank FD Interest	60,788.70	34,322.61
Interest from Parties	26,136.64	14,251.15
Discount Received	22,573.29	48,792.42
Duty Drawback	4,837.00	45,399.00
Total	1,14,335.63	1,42,765.18

Note 22 - Material Consumed

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Opening Stock	2,07,56,219.00	56,99,460.00
Add-Purchase	27,06,68,831.27	29,73,98,113.45
	29,14,25,050.27	30,30,97,573.45
Less-Closing Stock	3,77,21,360.88	2,07,56,219.00
Total	25,37,03,689.39	28,23,41,354.45

Note 23 - Purchase of Stock in Trade

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
NIL		
Total	-	-



Note 24 - Manufacturing and Operating Costs

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Freight Inward, Loading & Unloading	42,52,757.60	77,76,182.67
Clearing & Forwarding - Purchase	8,16,786.12	2,11,913.97
Consumable Stores & Spares	5,08,043.31	1,20,603.05
Conveyance Expenses	62,510.00	1,04,336.00
Drainage Charges	15,910.00	22,386.10
Electricity Charges - GIDC Factory	11,54,856.67	11,14,266.88
Factory Expenses	10,08,714.00	7,98,005.80
Hardware & Electronics	5,55,658.90	10,05,090.19
Labour Charges	1,45,78,689.51	1,11,21,851.32
Travelling Expenses	26,120.00	84,968.00
Miscellaneous Expenses Lab	1,52,522.00	1,08,138.50
Repair & Maintenance Factory	5,11,619.80	7,62,942.32
Waste Water Cleaning	81,258.00	72,620.00
Water Charges	70,426.00	89,384.80
Total	2,37,95,871.91	2,33,92,689.60

Note 25- Changes in Inventories of Finished Goods and Work in Progress

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Opening Stock		
- Finished Goods	1,42,96,739.00	44,10,300.00
- Work in Progress	-	-
Total	1,42,96,739.00	44,10,300.00
Closing Stock		
- Finished Goods	2,42,41,438.50	1,29,29,970.75
- Work in Progress	25,01,275.56	13,66,768.25
Total	2,67,42,714.06	1,42,96,739.00
Changes in Inventories of Finished Goods and Work in Progress	(1,24,45,975.06)	(98,86,439.00)

Note 26 - Employee Benefit Expenses

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Salary & Bonus	4,58,62,817.65	2,94,22,275.00
Provident Fund Contribution, ESIC & Admin Charges	27,74,808.00	14,84,001.00
Staff Welfare	17,16,157.68	9,84,915.65
Total	5,03,53,783.33	3,18,91,191.65



Note 27 - Finance Cost

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Bank Charges	1,82,915.61	1,12,387.50
Bank Term Loan Interest	6,33,562.20	7,05,267.92
Less: Subsidy received during the year	(5,45,777.00)	(3,87,688.00)
	87,785.20	3,17,579.92
Bank OD Interest	32,11,578.35	28,82,684.35
Total	34,82,279.16	33,12,651.77

Note 28 - Other Expenses

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Advertisement Expenses	8,24,710.00	4,84,380.00
Audit Fees	2,00,000.00	2,00,000.00
Bad Debts	1,22,392.00	80,252.86
Business Promotion Expenses	17,67,682.00	5,08,177.00
Consultancy Fees	22,70,896.00	3,17,064.00
Commission	1,28,08,502.00	1,14,64,037.00
Computer & Internet Expenses	91,188.00	9,223.00
Conveyance	2,23,027.00	1,83,646.00
Directors Remuneration	28,20,000.00	15,60,000.00
Discount Allowed	3,25,317.73	4,54,716.93
Donation	31,160.00	21,000.00
Exchange Rate Fluctuation	1,76,933.04	-
Exhibition Expense	1,65,890.00	2,26,752.00
Food Expenses	96,55,792.04	48,52,098.00
Insurance	4,48,778.48	5,07,879.12
Laboratory Expenses	87,335.00	76,117.00
Membership Fees	18,790.00	40,000.00
Office Expenses	16,58,233.03	2,82,025.34
Other Expenses	1,96,923.71	1,98,470.87
Printing & Stationery	11,52,821.25	10,54,972.50
Prior Period Expense	21,000.00	7,04,427.00
Profession Tax	2,500.00	2,500.00
Professional Fees	20,04,159.00	10,20,416.00
Rent	59,57,507.94	29,00,023.53
Rent Rate & taxes	2,06,821.40	1,54,238.00
Repairs & Maintenance	7,28,957.88	7,63,149.64
Royalty	-	73,89,584.00
Security Service Expense	3,46,357.00	1,75,505.00
Software Expense	2,46,033.58	2,00,000.20
Telephone & Mobile Expense	1,44,805.45	4,30,110.70
Tender Fees	1,01,285.78	20,358.80
Testing Charges	5,15,415.00	2,27,700.00
Transport & Freight Outward	3,55,35,130.69	2,78,70,132.48
Travelling Expenses	35,32,603.35	4,76,443.08
Weightment Charges	12,220.00	5,440.00
Write off	1,69,060.38	-
Total	8,45,70,228.73	6,48,60,840.05



NOTE NO: 29

SATOL CHEMICALS LIMITED

(FORMERLY KNOWN AS SATOL CHEMICALS PRIVATE LIMITED)

Statement of Notes to Accounts and Significant Accounting Policies for the year ended 31st March, 2024

1) BACKGROUND

Satol Chemicals Limited (Formerly Known as Satol Chemicals Private Limited) was incorporated on 23rd October, 2020 as a Private Limited company under the Companies Act, 2013 with CIN: U24290MH2020PTC348489. The Company was converted from Private Limited to Public Limited Company with effect from 01st July, 2024 with CIN: U24290MH2020PLC348489.

The principal objective of the company is to carry on the business of manufacturing specialty cleaning hygiene solutions. The Company's expertise includes Industrial Sectors including Breweries, Beverages, Dairy, Food Processing, Poultry, Fisheries, Water Treatment, and Machines. Recently, they have expanded into Institutional Cleaning, serving commercial laundry, Facility Management, Hotels, Healthcare, Retail, Education, Government and Food Services.

The solutions prioritize environmental sustainability, backed by scientific research. As a Green Building Certified Factory, The Company is committed to reducing environmental footprint. With ISO 9000-2015, GMP, ISO 22000:2018 certifications, and FDA approval for many chemicals, the Company ensures quality and reliability. Explore our journey towards quality and sustainability!

The financial statements have been prepared to comply in all material respects with the accounting standards specified in Companies Act, 2013 ("the Act") The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company.

2) BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND USE OF ESTIMATES

These Standalone Financial Statements are prepared in accordance with the Accounting Standards under the historical cost convention on accrual basis. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The preparation of the financial statements in conformity with the Accounting Standards requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgments are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.





3) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Property, Plant and Equipment are stated at historical cost/revalued value less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Borrowing costs relating to acquisition/construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they related to the period till such assets are ready for commercial use.

Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects.

The additions to the tune of ₹1,07,64,952.07 have been has been shown as Capital Work-in-Progress (CWIP) as the asset is still under construction and is not ready for use. No depreciation has been charged on such CWIP.

4) DEPRECIATION

Depreciation on all Property, Plant and Equipment has been provided as per Schedule II of The Companies Act, 2013 according to useful life of the assets on Straight Line Method. Depreciation on the CWIP is not considered in this year as the asset is not put to use till the year ending 31st March, 2024.

5) INVESTMENTS

Investments are classified as Current and Non-Current depending on the holding period of the Investment. However, when there is decline, other than temporary, in the value of investment, the carrying amount is reduced to recognize the decline.

Non-current investments are classified as trade investments and other investments and further classified as:

- Investment property;
- Investments in Equity Instruments;
- Investments in Preference Shares;
- Investments in Government or Trust Securities;
- Investments in Debentures or Bonds;
- Investments in Mutual Funds;
- Other non-current investments (specify nature).

Under each classification, details are given of names of the bodies corporate indicating separately whether such bodies are (i) subsidiaries, (ii) associates, (iii) joint ventures, or (iv) controlled special purpose entities in whom investments have been made and the nature and extent of the investment so made in each such body corporate (showing separately investments which are partly-paid).



6) CLASSIFICATION OF CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

All assets & liabilities have been classified as Current & Non-Current as per company's normal opening cycle & other criteria set out in the Revised Schedule III. Based on the nature of services of the company, for the purpose of current/ non-current classification of assets & liabilities, 12 months have been considered as its operating cycle.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability shall be classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

7) TERMS FOR REPAYMENT AND SECURITIES FOR NON-CURRENT BORROWINGS

Term Loan taken from HDFC Bank Ltd is secured against the mortgage of Office Premises and Residential Premises and Personal Guarantee of the Directors Mr. Bhavesh Parsana and Mrs. Mayuri Parsana) - The Loan of ₹99,14,731 is sanctioned on March 08, 2021 for a term of 63 months to be paid in equal monthly instalments of ₹2,04,953.

8) BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs that are directly attributable to the acquisition or Construction of qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing costs eligible for capitalization is determined in accordance with Accounting Standard 16 (AS 16) on "Borrowing Costs". Other borrowing costs are recognized as an expense in the period in which they are incurred. (Refer Point No 13)

9) SUNDRY DEBTORS, LOANS AND ADVANCES

Doubtful Debts / Loans and Advances are written off in the year in which these are considered to be irrecoverable.



10) IMPAIRMENT OF ASSET

The company assesses, at each reporting date, determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

11) CASH FLOW STATEMENT

Cash flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financial cash flow. The cash flows from operating, investing and financial activities of the company are segregated.

12) REVENUE RECOGNITION

Revenue from Sale of Goods is recognized when significant risks and rewards of ownership of the goods have been passed on to the buyer as per the terms of the contract, usually on delivery of goods, and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods. Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists. Interest Income is recognized in statement of profit and loss account on time basis whereas dividend income is recognized when the right to receive the dividend amount is established.

13) GOVERNMENT GRANT

Government Grants are recognized once there is reasonable assurance that both (1) the conditions for their receipt will be met and (2) the grant will be received. Income based grants are released to the income statement to match the related expenditure that they are intended to compensate. Assets based grants are deferred and matched with the depreciation on the asset for which the grant arises.

During the year, an amount of ₹5,45,777 has been received as subsidy in 3 tranches which has been set-off against the borrowing cost.

14) EARNINGS PER SHARE

The basic earnings per share is computed by dividing the net profit/(loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. For the purpose of calculating diluted earnings per shares, net profit after tax for the year available for equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

15) FOREIGN CURRENCY TRANSACTIONS

Normal Exchange differences at the time of settlement are dealt with in the Profit & Loss account. Monetary assets and liabilities in foreign currency existing at the Balance Sheet date are translated at the year-end exchange rates. Exchange difference arising on Import/Export realizations are recognized as income or expense in the Profit and Loss Account for the period. Exchange difference arising on forward contract is recognized as income or expense over the life of the contract. Any Profit or loss arising on cancellation or renewal of a forward exchange contract is recognized as income or as expense for that period. Exchange rate difference in



respect of purchase of Fixed Asset is adjusted in the carrying amount of respective Fixed Assets. During the period under review, the Company has an unrealized foreign exchange fluctuation loss of ₹1,76,933.04.

16) TAXES ON INCOME / DEFERRED TAX

Tax Comprises of current and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income Tax reflects the impact of current period timing difference between taxable income and accounting income for the period and reversal of timing difference for earlier years. Provision for both current tax and deferred tax are made every year and reviewed at every year end.

17) EMPLOYEE BENEFITS

A. Short-term obligations

Short-term obligations All employee benefits payable / available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognized in the statement of profit and loss in the period in which the employee renders the related service.

B. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Company does not make any specified contributions towards any scheme for now.

C. Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity: A Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognized immediately in the balance sheet a corresponding debit or credit to retained earnings through the Statement of Profit & Loss Account in the period in which they occur. Re-



measurements are not reclassified to the statement of profit and loss in subsequent periods.

Since the company is incorporated for a period of less than 5 years, the company has not provided for any gratuity in the books of accounts for the period under review.

18) PRIOR PERIOD ITEMS

Prior Period Items shall be separately disclosed in the profit and loss account in the previous year together with their nature and amount in a manner so that their impact on profit or loss in the previous year can be clearly distinguished.

Prior Period Expense of ₹21,000 includes Labor Consulting Charges pertaining to the period October 2022 to March 2023.

19) INVENTORY

The stock of goods at the year-end are valued in accordance with revised AS-2 'Valuation of Inventories' issued by ICAI. Accordingly, the method of valuation is as under:

Finished Goods – At lower of cost or net realizable value

Raw Material & Packing Material – At Cost Price

Work-in-progress – At material cost plus apportioned manufacturing overheads

20) OTHER STATUTORY INFORMATION

- i. The company does not have any transaction with the companies struck off under SEC 248 of the Companies Act 2013 or section 560 of the Companies Act 1956 during the year ended March 31, 2024 and March 31, 2023.
- ii. There are no charges or satisfaction which are to be registered with the registrar of companies during the year ended March 31, 2024 and March 31, 2023.
- iii. The Company complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended March 31, 2024 and March 31, 2023.
- iv. The Company has not invested or traded in cryptocurrency or virtual currency during the year ended March 31, 2024 and March 31, 2023.
- v. No proceedings have been initiated on or are pending against the company for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2024 and March 31, 2023.
- vi. The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year ended March 31, 2024 and March 31, 2023.
- vii. The Company has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended March 31, 2024 and March 31, 2023.
- viii. During the year ended March 31, 2024 and March 31, 2023, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).



- ix. During the year ended March 31, 2024 and March 31, 2023, the Company has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- x. During the year ended March 31, 2024 and March 31, 2023, the Company has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or"
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- xi. Quarterly statements of the current assets filed by the Company with banks or financial institutions are in agreement with books of accounts
- xii. The company has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act ("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, books of accounts of the company are also subject to filing of GST Periodic and Annual Return as per applicable provisions of GST Act to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising while filing the GST Annual Return shall be accounted for as and when the return is filed for the current financial year. However, the management is of the opinion that the aforesaid annual return will not have any material impact on the Standalone financial statements.

21) RELATED PARTY DISCLOSURE

As required by AS-18, the information is disclosed regarding the transactions made with the related parties.

A) Name of Related Parties:

S.No	Relationship	Relation	Name Of The Related Parties
1	Companies/firms in which directors of the Company are able to exercise control or have	- Bhavesh Thakarshibhai Parsana	-Proprietor of Satol Chemicals Unit II



	significant influence		
2	Key Management Personnel	NIL	NIL
3	Relative of Key Management Personnel	NIL	NIL

B) Transactions carried out with related parties referred in A above, in ordinary course of business:

S.No	Nature of Transaction	Year Ended 31/03/2024 (Amt in ₹)	Year Ended 31/03/2023 (Amt in ₹)
1	Purchase of Goods and Materials (referred in A(1) above)	--	--
2	Sale of Goods and Materials (referred in A(1) above)		
3	Directors		
	<u>Amount taken/(repaid) during the year (net amount)</u>		
	-Mr.Bhavesh Thakarshibhai Parsana	(17,74,537.02)	16,69,325.88
	-Mrs.Mayuri Bhavesh Parsana	(78,743)	(28,639.00)
4	Expenses (referred in A(1) above)		
	Directors Remuneration to:		
	-Bhavesh Thakarshibhai Parsana	18,00,000.00	10,80,000.00
	-Mayuri Bhavesh Parsana	10,20,000.00	4,80,000.00

C) Balances with Related Parties:

Name of the Party	Year ended 31/03/2024 (Amt in ₹)	Year ended 31/03/2023 (Amt in ₹)
Bhavesh Thakarshibhai Parsana – Interest Free	6,75,00,000	6,75,00,000



Unsecured Loan		
Mayuri Bhavesh Parsana – Interest Free Unsecured Loan	10,00,000	10,00,000
- Mr.Bhavesh Thakarshibhai Parsana - Current Account	3,95,41,102.21	86,44,974.78
- Mrs.Mayuri Bhavesh Parsana - Current Account	118.00	78,861.00

22) CONTINGENT LIABILITIES

- A) No Contingent Liabilities are determined for and/or against the firm for which provision are required to be made.
- B) In the opinion of the management, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- C) Debit or Credit balances on whatever accounts are subject to confirmation from the parties as such, their effect on profit and loss account cannot be reflected.
- D) As per AS-22 Accounting for Taxes on Income, reversal of Deferred Tax Liability amounting to Rs.1,78,892.14 has been recognized in the books of accounts for timing difference in the depreciation charged as per Income Tax Act, 1961 and depreciation as provided in the books of accounts as per Companies Act, 2013.
- E) Notes to Accounts form an integral part of the Balance Sheet and Statement of Profit & Loss for the year ended 31st March, 2024 which are duly authenticated thereto.



SATOL CHEMICALS LIMITED
 (Formerly Known as Satol Chemicals Private Limited)
 Depreciation Schedule as per Companies Act, 2013
 FINANCIAL YEAR 2023-2024
 Note-1
 Fixed Assets

PARTICULARS	Life Of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		Balance as on 01.04.2023	Addition	Disposals/ Capitalization	Balance as on 31.03.2024	Upto 01.04.2023	for the year	Disposals	Transfer to Reserves	Upto 31.03.2024	Balance as on 31.03.2024	Balance as on 31.03.2023
Land & Building	60	3,53,26,722.09	-	-	3,53,26,722.09	11,79,213.01	5,89,840.00	-	-	17,69,053.01	3,35,57,669.08	3,41,47,509.08
Plant & Machinery	10	1,36,34,883.00	80,000	-	1,37,14,883.00	12,00,587.00	9,10,780	-	-	21,11,367.00	1,16,03,516.00	1,24,34,296.00
Laboratory Equipments	10	6,01,425.00	-	-	6,01,425.00	1,81,135.00	1,20,450.00	-	-	3,01,585.00	2,99,840.00	4,20,290.00
Factory Equipments	10	10,51,629.10	-	-	10,51,629.10	2,46,528.00	2,10,240.00	-	-	4,56,768.00	5,94,861.10	8,05,101.10
Office equipments	10	3,66,885.24	29,661	-	3,96,546.24	73,834.00	78,610.00	-	-	1,52,444.00	2,44,102.24	2,93,051.24
Computer & Printer	3	12,43,983.95	2,53,826	-	14,97,809.95	3,14,588.00	4,54,622.00	-	-	7,69,210.00	7,28,599.95	9,29,395.95
Furniture & Fixtures	10	68,21,152.66	34,200.00	-	68,55,352.66	8,93,103.00	6,92,491.00	-	-	15,75,594.00	52,79,758.66	59,28,049.66
Current year		5,90,46,681.04	3,97,687.00	-	5,94,44,368.04	40,88,988.01	30,47,033.00	-	-	71,36,021.01	5,23,08,347.03	5,49,57,693.03
Previous year												
Building Under construction		-	87,26,878.00	-	87,26,878.00	-	-	-	-	-	87,26,878.00	-
Furniture, Fixtures & Fittings		-	13,08,977.07	-	13,08,977.07	-	-	-	-	-	13,08,977.07	-
Electrical equipment under construction		-	1,44,151.00	-	1,44,151.00	-	-	-	-	-	1,44,151.00	-
Plant & Machinery under installation		-	5,84,946.00	-	5,84,946.00	-	-	-	-	-	5,84,946.00	-



Statement of Other Accounting Ratios, as per Companies Act, 2013

Particulars	31-03-2024	31-03-2023
Current Ratio (in times)		
Current Assets	22,46,19,532.68	18,64,78,950.38
Current Liabilities	10,45,11,426.57	11,17,71,825.54
Current Ratio	2.15	1.67
Debt-Equity Ratio (in times)		
Total Debts	49,29,840.00	67,55,713.00
Share holders equity + R/S	7,99,98,598.31	2,44,79,038.72
Debt Equity Ratio	0.06	0.28
Debt Service Coverage Ratio (in times)		
Earning available for Debt Service	5,86,66,177.79	2,24,76,968.58
Interest + Installment	19,13,657.00	20,71,748.00
Debt Service Coverage Ratio	30.66	10.85
Return on Equity Ratio (in %)		
Net Profit after Tax	5,55,19,559.59	1,94,80,641.66
Average Share Holders Equity	5,22,38,818.52	1,47,38,717.86
Return on Equity Ratio	106%	132%
Inventory turnover ratio (in times)		
Cost Of Goods Sold	25,82,22,856.21	28,75,11,674.45
Average Inventory	4,97,58,516.47	2,25,81,359.00
Inventory turnover ratio	5.19	12.73
Trade Receivables Turnover Ratio (in times)		
Net Credit Sales	47,41,27,457.13	42,26,33,941.00
Average Receivable	14,68,55,844.79	12,45,02,811.26
Trade Receivables turnover ratio	3.23	3.39
Trade Payables Turnover Ratio (in times)		
Credit Purchase	27,06,68,831.27	29,73,98,113.45
Average Payable	5,82,89,671.78	4,22,67,825.60
Trade Payables Turnover Ratio	4.64	7.04
Net Capital Turnover Ratio (in times)		
Revenue from Operations	47,41,27,457.13	42,26,33,941.00
Net Working Capital	12,01,08,106.11	7,47,07,124.84
Net Capital Turnover Ratio	3.95	5.66
Net Profit Ratio (in times)		
Net Profit	5,55,19,559.59	1,94,80,641.66
Sales	47,41,27,457.13	42,26,33,941.00
Net Profit Ratio	0.12	0.05
Return on Capital Employed (in %)		
Earnings Before Interest and Tax	7,12,05,361.46	2,74,98,322.43
Capital Employed	15,16,02,563.11	9,72,75,315.72
Return on Capital Employed	47%	28%
Return on Investment (in %)		
Return	60,788.70	34,322.61
Investments	7,17,984.10	6,75,205.00
Return on Investment	8%	5%

