



# MAHICKRA CHEMICALS LIMITED

Manufacturers & Exporters of Dyes & Chemicals

Regd. Office : Plot No.: 1209, Phase -3, GIDC, Vatva, Ahmedabad-382 445.

Corp. Office : Plot No.: 1201-1202, Phase-3, GIDC, Vatva, Ahmedabad-382 445, Gujarat, INDIA. ☎ +91-79-25832692, 48994608, 48975221

✉ info@mahickra.com 🌐 www.mahickra.com

CIN : L24304GJ2017PLC099781

August 07, 2023

To,  
The Manager- Listing Department,  
**National Stock Exchange of India Limited,**  
Exchange Plaza, Plot No. C/1, Block-G,  
Bandra - Kurla Complex, Bandra (E),  
Mumbai - 400051  
**Scrip Code: MAHICKRA**

Dear Sir/Madam,

**Sub: Notice convening 06<sup>th</sup> Annual General Meeting along with Annual Report of the Company for the Financial Year 2022-23**

We would like to inform you that the 06<sup>th</sup> Annual General Meeting ('AGM') of the Company will be held on **Tuesday, August 29, 2023 at 03:00 p.m. (IST)** at the Corporate Office of the Company, inter alia, to transact the businesses stated in the Notice convening 06<sup>th</sup> AGM.

Pursuant to Regulations 30(2) and 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we hereby submitting Annual Report along with Notice convening 06<sup>th</sup> AGM for the Financial Year 2022-23 scheduled as aforesaid, as circulated to the members through electronic mode. The Annual Report containing the Notice is also uploaded on the Company's website and can be accessed at [www.mahickra.com](http://www.mahickra.com).

Brief details of 06<sup>th</sup> AGM are as below:

Particulars	Details
Day, Date and Time of 06 <sup>th</sup> AGM	Tuesday, August 29, 2023 at 03:00 p.m. (IST)
Cut-off date for e-voting	Tuesday, August 22, 2023
Remote e-voting start day, date and time	Saturday, August 26, 2023 at 09:00 a.m. (IST)
Remote e-voting end day, date and time	Monday, August 28, 2023 at 05:00 p.m. (IST)

We request you to take the same on record.

Thanking you

Yours faithfully,

**For, Mahickra Chemicals Limited**

**Sona Bachani**  
**Company Secretary**

Encl.: As above



MAHICKRA CHEMICALS LIMITED



# INNOVATION AND PROGRESS

ANNUAL REPORT 2022-2023





# TABLE OF CONTENTS

<b>04</b>	Innovation and Progress
<b>06</b>	Meet Mahickra: Pioneers of Dyeing Solutions
<b>08</b>	Major Milestone
<b>10</b>	Message from the Managing Director
<b>12</b>	Message from the Whole-Time Director
<b>14</b>	Corporate Information
<b>15</b>	Founders and Innovators: Introducing the Promoters of the Company
<b>16</b>	Product Portfolio and its Application
<b>18</b>	Export Thrust: Driving Growth through International Trade
<b>20</b>	Financial Highlights
<b>22</b>	Networking at its Best: Highlights from Exhibitions 2022-2023
<b>24</b>	Path to Progress: Teasing Our Upcoming Product Lineup
<b>26</b>	Awards and Certifications
<b>27</b>	Certifications

## Statutory Reports

<b>28</b>	Notice
<b>48</b>	Directors' Report

## Financial Statements

### Standalone

<b>72</b>	Independent Auditor's Report
<b>81</b>	Balance Sheet
<b>82</b>	Statement of Profit and Loss
<b>83</b>	Statement of Cash Flows
<b>84</b>	Notes

### Consolidated

<b>105</b>	Independent Auditor's Report
<b>111</b>	Balance Sheet
<b>112</b>	Statement of Profit and Loss
<b>113</b>	Statement of Cash Flows
<b>114</b>	Notes




# Innovation and Progress



Your company is dedicated to innovation and advancing the chemical industry, by constantly promoting new products to meet evolving consumer demands. We invest in research and development, rigorous testing, quality control, and regulatory standards-adherence before launching new products. We focus on quality assurance, which ensures products adhere to industry norms, providing customers with trustworthy and top-notch solutions. Innovation drives the introduction of new products, with our team of experts constantly exploring new processes, technologies, and formulations to create cutting-edge products with superior performance, efficiency, and unique features.

Industry trends and market research conducted by your company can be used to find new product innovation opportunities. The company ensures that its product portfolio meets customer requirements and creates value by focusing on customer needs and incorporating sustainability and environmental considerations. Green practices are incorporated into product development to reinforce moral behavior and meet the industry's expanding demand for sustainability.

Your company's innovation and advancement are evident through the introduction of new products, solidifying its market position as a legitimate alternative. These products broaden the product line, add revenue sources, and encourage patronage. They advance the chemical industry, reflect market dynamics, and reinforce the company's commitment to delivering value to consumers through continuous innovation and product introduction.



“

**Innovation is the engine of prosperity and progress.**

- Indra Nooyi

”



***"Your company ensures that its product portfolio meets customer requirements and creates value by focusing on customer needs and incorporating sustainability and environmental considerations."***



# Meet Mahickra: Pioneers of Dyeing Solutions

Mahickra Chemicals Limited is a prominent domestic player in the dyestuff manufacturing industry. The company's production facilities are strategically located in the chemical industrial zone of VATVA, Ahmedabad. Its strategic positioning provides the company with several advantages, including easy access to the Common Effluent Treatment Plant. Furthermore, being in close proximity to the chemical industrial zone allows us to collaborate and network with other industry leaders, fostering innovation and knowledge sharing. The advantageous location enables efficient transportation of raw materials and finished products, reducing costs and enhancing our supply chain management. With a rich history spanning over several decades, your company possesses extensive industry knowledge and expertise, allowing us to effectively navigate the challenges of the global marketplace. Your company has established itself as a leader in producing high-quality dyestuffs and aims to strengthen its position in the market.

Your company's focus on quality is paramount. The focus has always been on offering clients with products that cling to stringent industry standards and guidelines. Through rigorous quality control measures and adherence to market norms, we consistently produce dyestuffs that meet customer expectations and requirements. Customer satisfaction is paramount to us. We understand the unique needs of our clients and develop enduring relationships based on trust and loyalty.

***"Your company has established itself as a leader in producing high-quality dyestuffs and aims to strengthen its position in the market"***

***"As a trusted manufacturer and exporter, your company invest's in research and development, introducing new products and fostering partnerships with key stakeholders"***

Additionally, your company is cognizant of its responsibility to foster sustainability and environmental stewardship. The business actively promotes initiatives for conservation, waste management, and environmentally friendly manufacturing methodologies. Your Company works to lower its ecological footprint and endorse a sustainable world by incorporating sustainability practices into its daily operations. As a trusted manufacturer and exporter, your company invest's in research and development, introducing new products and fostering partnerships with key stakeholders. By investing in cutting-edge technology the company capitalizes on the growing demand for sustainable and eco-friendly dye solutions, enhancing its reputation in the market.



## Mission

To be the driving force of innovation, we endeavour to craft new products and reimagine existing ones, empowering our stakeholders to thrive together on a journey of progress and prosperity



## Vision

To be the vanguard of the dyeing industry's evolution, Mahickra 2.0 envisions developing the business in a new region with revolutionary 'NikaFix' and 'NikaZol' products and ranges, expanding horizons, and illuminating colours with innovation.



# Major Milestone



**1997**

Inception of Mahak Dye Chem Industries, Our main focus was on specializing in Black Shades.

**2002-2005**

Started developing business with merchant exporters

**2008**

Installation of Spray Dryer to increase production capacity up to 200 MT



**2000**

Continued expansion of local business

**2005**

First export to Bangladesh

**2009**

First export to Turkey

**2010**

Establishment of another production unit to expand and meet the full range of Reactive Dyes. Successful exports to Egypt, Mexico, Uzbekistan, Indonesia, etc.

**2014**

Acquisition of industrial land measuring 5000 sq. m in Saykha, Gujarat, for future expansion plans

**2019**

Construction of a new production unit to cater to the demands of a wider range of products like Pigment Pastes and Specialty Chemicals

**2011-2017**

Significant increase in exports, local business, and turnover by 2 times

**2018**

Public listing of shares on NSE Emerge Platform

**2020**

Establishment of a corporate office at Plot no. 1201-1202, Phase-3 to diversify into the new sector of Chemicals and intermediates



# Message from Chairman and Managing Director



*“As we move forward, we remain cautiously optimistic and committed to exploring new growth opportunities, both domestically and internationally. Our strategic outlook revolves around diversifying our product portfolio, expanding into new market segments, and establishing strong partnerships to further enhance our global presence”*

## Dear Shareholders

I wish that you and your families are doing fine, and I want to applaud you all for prolonging to put your faith in Mahickra Chemicals Limited. In hindsight, FY 2022 was a year filled with astonishments and snags. At first, it appeared that the COVID-19 pandemic's effects were beginning to fade; however, the geopolitical unrest in Europe brought with it new difficulties, including the disruption of international supply chains, an unprecedented energy shock, and a sharp rise in prices of essential necessities. Because of this, we had experienced a strident decline in demand and significant pricing pressure, which had a negative effect on our sales volumes and, consequently, our financial performance. This global economic growth had slowed in FY 2022, and it is expected to further slow to FY 2023. Despite the aforementioned difficulties, India's economy grew at one of the fastest rates in FY 2022. This growth story is nothing short of incredible, with India's manufacturing prowess gaining global recognition and a shift in the supply chain in our favor.

## Financial Highlights:

Despite facing challenges in the external environment and experiencing a slowdown in certain end-use industries, your company demonstrated remarkable resilience and reported a steadfast performance during the FY 2022. We are proud to share that despite the

hurdles; your Company achieved significant milestones and delivered strong financial results throughout this period. Our exports constituted nearly seventy percent of our total revenue, and the share of value-added products saw significant growth.

During the FY 2022-23, we had acquired 45% stake in RCN Specialities Private Limited. The aforementioned business joined your business as a partner. This acquisition was made as part of a tactical plan to strengthen our business' position in the market for specialty chemicals. RCN Specialities Private Limited now has access to our company's resources and knowledge as an associate, enabling market cooperation and mutual growth.

## Innovation Unveiled:

New products with significant profit margins have already been developed by our team. We've decided to concentrate more on developing new market niches these days while also increasing profit margins for our current clients. We aim to achieve sustainable growth by dividing our efforts between product development and market expansion. According to our interpretation, this strategic approach will undoubtedly help us generate the greatest amount of revenue while elevating our collective reputation within this sector.

Our contemporary plan of action involves pigment emulsifiers, which are used in a variety of products

like textiles, solvent paints, digital ink and more. In recognition of this method's ability to reduce carbon emissions levels while also being environmentally responsible, the consumption of pigment emulsification in textile printing has recently been rising exponentially. Selling more pigment emulsions will undoubtedly increase our revenue and profit margins because they are used in so many different industries, including paints, inks, and coatings for parchment. Furthermore, because of the expanding global market for environmentally friendly goods, consumers who care about environmental sustainability are using pigment emulsions more frequently. With the help of our diligent work and premium pigment emulsions toward the green economy, we are in a strong position to capture a sizable chunk of this growing market

### **Future Growth and Outlook:**

While our long-term growth trajectory is still stable and strong, we are facing significant headwinds in FY 2023-24, which will affect how well we perform in that year. We are prepared to take advantage of these chances, resume growth, and solidify our position as the market leader. To strengthen our competitive edge and boost our financial performance, we will keep up our current levels of strict financial discipline, optimize our operations, and control costs. In the impending handful years, we intend to generate ₹100 billion annual revenue solely from exports.

As we move forward, we remain cautiously optimistic and committed to exploring new growth opportunities, both domestically and internationally. Our strategic outlook revolves around diversifying our product portfolio, expanding into new market segments, and establishing strong partnerships to further enhance our global presence.

We are excited about the prospects of our new plant, which is already running in a preliminary condition, and we anticipate a further surge in production and sales. Additionally, our R&D team has been relentlessly working on revamping products and developing environmentally sustainable dyestuffs that have received positive feedback globally.

Looking ahead, we are eager to venture into the digital textile printing ink market and further explore the specialty chemicals industry's potential. Our commitment to excellence, customer service, and product quality remains our primary concern as we seek to expand our clientele and global presence.

We are enthusiastic about the opportunities in the chemical industry as we look to the future. In order to realize our vision of creating Mahickra 2.0, we have established strategic focus areas. We are well-positioned for future growth thanks to our dedication to superior manufacturing, R&D, customer relationship management, and sustainability. Our approach places a strong emphasis on adaptability, teamwork, and pushing against conventional wisdom.

### **Sustainability at the Core:**

Sustainable growth seems to be the only remedy in a world where social and environmental risks are now the main areas of concern. I'm pleased to say that your company was putting the sustainability agenda into practice long before it received widespread attention. Our plants are operating above regulatory standards in terms of waste management, water use, and emissions while still maintaining a sizable green belt. Our safety teams, who have been in charge of putting procedures in place and training personnel, have helped make our plants some of the safest in the industry. As the chairman of the board, I can guarantee that your company upholds strict standards of governance and moral behavior. The board is sufficiently independent to ensure that the rights of all stakeholders are taken into account.

### **Closing in gratitude:**

On behalf of the Board of Directors and the Management, I would like to thank our employees for their extraordinary commitment throughout the year. A strong focus on customer needs, dedication and responsiveness by the employees has contributed to the last financial year. I want to thank our shareholders, customers and suppliers for their continued cooperation and trust in the Company.

Thank you once again for your continued partnership and belief in the Company. Together, we will seize new opportunities, overcome challenges and leap ahead to build a prosperous future.

Warm Regards,

**Miteshkumar Gandhi**

Managing Director



# Message from the Whole-Time Director



“*At Mahickra Chemicals Limited, we firmly believe in the fair distribution of income, and dividends form an integral part of our value proposition. Throughout our journey, we have upheld the principle of sharing our success with those who have placed their trust in us.*”

The Profit After Tax (PAT) attributable to our esteemed shareholders in FY 2022–23 was ₹328.23 lakhs, a slight decline from ₹334.83 lakhs in the previous year. Despite some obstacles, we were able to generate a sizable profit and keep a healthy financial position thanks to our careful financial management.

Our EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization), which was ₹600.65 lakhs compared to ₹564.85 lakhs for the same period in the previous year, was one of the significant highlights of the financial year. This impressive EBITDA demonstrates our efforts to reduce costs and improve operational efficiency.

As a shareholder-focused company, we take pride in our commitment to reward our valued shareholders through dividends. At Mahickra Chemicals Limited, we firmly believe in the fair distribution of income, and dividends form an integral part of our value proposition. Throughout our journey, we have upheld the principle of sharing our success with those who have placed their trust in us. Dividends serve as a tangible expression of our gratitude to our shareholders for their unwavering support and confidence in our endeavors. Additionally, we are actively exploring avenues to enhance shareholder value through strategic investments, product diversification, and market expansion. Our efforts are aimed at fostering sustainable growth, which, in turn, benefits our shareholders in the long run.

We are unwavering in our pursuit of development and expansion as we go forward. Our future goals center on diversifying our product lines, increasing our domestic

## Dear Shareholders

I hope this message finds you all in good health and high spirits. As we reflect on our journey, I am overwhelmed with gratitude for your unwavering support and trust in Mahickra Chemicals Limited. It is with great pleasure and immense pride that I share with you the progress and achievements we have made in recent years.

Since 1998, our commitment to producing high-quality reactive dyes has driven us forward, and I am delighted to announce that our efforts have borne fruit. Over the past three years, we have witnessed sturdy growth in both revenue and profit, a testament to our team's dedication and the cutting-edge technology at our state-of-the-art manufacturing facility.

We are happy to report that Mahickra Chemicals Limited had a commendable financial year in 2022–23. We reported significant improvement in key financial metrics despite difficulties in the external environment, demonstrating our resiliency and dedication to growth. When contrasted to FY 2021–22, our operating income increased, rising to ₹10,303.38 lakhs from ₹10,230.09 lakhs. This accomplishment demonstrates our capacity to withstand economic turbulence and sustain steady growth.

“

***Our vision for Mahickra 2.0 is to further expand our market reach, both nationally and internationally. By focusing on developing new products with healthy profit margins and exploring new market segments, we aim to achieve sustainable growth and strengthen our position in the industry.***”

”

and global market share, and seizing untapped business opportunities. In response to the dynamic global market environment, our research and development team is actively working to develop new and improved products to satisfy changing consumer demands and environmental standards

Our vision for Mahickra 2.0 is to further expand our market reach, both nationally and internationally. By focusing on developing new products with healthy profit margins and exploring new market segments, we aim to achieve sustainable growth and strengthen our position in the industry.

We attribute our talented team, who consistently works together to develop plans for raising sales and profits, with this success for their commitment and diligence. Our successes have been fueled by their dedication to excellence and our unwavering focus on customer satisfaction.

We express our heartfelt appreciation to our shareholders for their continued trust and support. Together, we envision a future of shared success and prosperity, where dividends serve as a reflection of our collective achievements.

As we embark on this journey, we invite you to be a part of our growth story and share in the rewards of our success. Your faith in us motivates us to strive for excellence and make a positive impact on the industry we serve.

Thank you for being an integral part of the Mahickra family.

Warm regards,

**Ashishkumar Gandhi**

Whole-Time Director,

# Corporate Information

## Board of Directors

### Chairman and Managing Director

Mr. Miteshkumar C. Gandhi

### Whole-Time Director

Mr. Ashishkumar C. Gandhi

### Whole-Time Director

Mrs. Komal M. Gandhi

### Independent Director

Mr. Dhanik Mehta

Mr. Akhil Shah

Ms. Vrusha Patel (Resigned on July 06, 2022)

Mrs. Amisha Shah (Appointed on July 11, 2022)

## Audit Committee:

Mr. Dhanik Mehta, Chairman

Mr. Akhil Shah, Member

Ms. Vrusha Patel, Member (Resigned on July 06, 2022)

Mrs. Amisha Shah, Member (Appointed on July 11, 2022)

## Nomination and Remuneration Committee:

Mr. Dhanik Mehta, Chairman

Mr. Akhil Shah, Member

Ms. Vrusha Patel, Member (Resigned on July 06, 2022)

Mrs. Amisha Shah, Member (Appointed on July 11, 2022)

## Stakeholders Relationship Committee:

Mr. Dhanik Mehta, Chairman

Mr. Akhil Shah, Member

Ms. Vrusha Patel, Member (Resigned on July 06, 2022)

Mrs. Amisha Shah, Member (Appointed on July 11, 2022)

## Board reconstituted all committees on July 11, 2022.

## Key Managerial Personnel:

Mr. Kalusinh Chauhan, Chief Financial Officer

Ms. Himali Thakkar, Company Secretary (Resigned on April 21, 2022)

Ms. Sona Bachani, Company Secretary (Appointed on October 12, 2022)

## Registered Office:

Plot No. 1209, Phase 3, GIDC, Vatva,  
Ahmedabad – 382445, Gujarat India  
Phone – 079 48994608

## Corporate Office:

Plot No. 1201-1202, Phase 3, GIDC, Vatva,  
Ahmedabad – 382445, Gujarat India  
Phone – 079 48994608

## Corporate Website:

[www.mahickra.com](http://www.mahickra.com)

CIN: L24304GJ2017PLC099781

Email Id: [info@mahickra.com](mailto:info@mahickra.com)

## Statutory Auditor:

M/s. Singhi & Co., Chartered Accountants  
705, P.B. Parekh Tower, D. B. School Road,  
Kankaria, Ahmedabad – 380022 Gujarat, India

## Internal Auditor:

M/s. Piyush J. Shah & Co., Chartered Accountants,  
404-504, Shikhar Building, Nr. Vadilal House,  
Netaji Marg, Mithakhali Cross Road, Navrangpura,  
Ahmedabad-380009 Gujarat, India

## Secretarial Auditor:

M/s. Pitroda Nayan & Co., Company Secretaries  
603-604, Tapas Elegance, Lane Opp. to Pratyashar  
Bhawan, Ambawadi, Ahmedabad – 380015, Gujarat,  
India

## Bankers to the Issuer:

State Bank of India  
Law Garden, Zodiac Avenue,  
Opp. Commissioners,  
Ahmedabad – 380006

## Investor Service Centre:

Registrar and Share Transfer Agent  
Big-Share Services Pvt. Ltd  
E-2&3, Ansa Industrial Estate, Saki-Vihar Road Sakinaka,  
Andheri (E), Mumbai-400072  
Tel No.: 022-28470652  
Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com),  
[bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)



# Founders and Innovators: Introducing the Promoters of the Company



MAHICKRA CHEMICALS LIMITED

1

## **Miteshkumar Champaklal Gandhi:**

Mr. Miteshkumar C. Gandhi is the Managing Director of the company, serving as a director since its inception. With a Bachelor's Degree in Chemical Engineering and extensive experience in the chemical industry, he leads the marketing and enhancement of our products. Joining the Board in 2017, his expertise has been instrumental in driving our company's growth and success.

2

## **Ashishkumar Champaklal Gandhi:**

Mr. Ashishkumar C. Gandhi is the Whole-Time Director of the company, serving as a director since its inception. With a Bachelor's Degree in Electrical Engineering and extensive experience in finance, taxation, and related matters, he provides valuable direction and supervision. Joining the Board in 2017, his rich knowledge and experience in finance have been instrumental in our company's growth and success.

# Product Portfolio and its Application

By employing a range of dyes, including reactive blacks and different other colors like red, golden yellow, orange, lemon yellow, and royal blue, your company strives to accelerate its production capability. Your company is devoted entirely to capturing both domestic as well as international markets in the area of reactive dyes, where Blacks consume between 50 and 60 percent of the product. We uninterruptedly devote resources to development and research to enhance the quality and functionality of our Reactive Black dyes in order to maintain a strong presence on the global market. In order to increase our grasp and pander to the various requirements that our consumers have, we have also initiated strategic alliances with affiliates around the globe. Reactive Blacks made by our company are fastidiously designed to meet the unique needs of our customers. Whether it's cold pad batch application, discharge printing, or exhaust dyeing, we focus all of our efforts on preserving competitiveness, consistency, and the highest level of client satisfaction. We even created unique Reactive Blacks to meet the high quality standards set by giant enterprises.

Black dyes like BLACK ULTRA CONC, JET BLACK R, BLACK NRG, BLACK MDR, NAVY SBG, NAVY XL, and BLACK RNN are just a few of the renowned options available. These dyes have entailed impeccable screening and conceptualization in order to uphold the most stringent quality standards and satiate the wide range of market expectations. They are acclaimed for their exemplary colorfastness and competence to create shades of deep, rich black that won't deteriorate with period. These dyes are versatile options for various industries because they are suitable for a variety of applications, especially for textiles, exhaust dyeing, cold pad batch, printing, for cotton, knit and hosiery.

Your company is committed to establishing itself as a proficient and preferred supplier of Reactive Blacks and other dyes in both the domestic and international markets by consistently fixating on innovation in products and client satisfaction. We provide a wide variety of Reactive Blacks that are suited to various applications in an effort to meet the unique needs and configurations of our customers. Our entire team is keen on providing exemplary work guidance and assistance so that our customers get the best results from our dyes. With a dedication to innovation and excellence, we have faith in our ability to establish enduring acquaintances with our customers and endorse their success.

***"Your company is committed to establishing itself as a proficient and preferred supplier of Reactive Blacks and other dyes in both the domestic and international markets"***

**Depo:**

MAHICKRA CHEMICALS LIMITED, SHOP NO.07,  
KHASRA NO.501, NEAR JOTAD PETROL PUMP,  
SHIKARPURA ROAD, SANGANER, JAIPUR  
RAJASTHAN - 302029

**Registered office and Plant:**

Plot no. 1209, Phase III, GIDC, Vatva,  
Ahmedabad - 382445

**Corporate Office:**

plot no. 1201-1202, Phase III, GIDC, Vatva,  
Ahmedabad - 382445





# Export Thrust: Driving Growth through International Trade

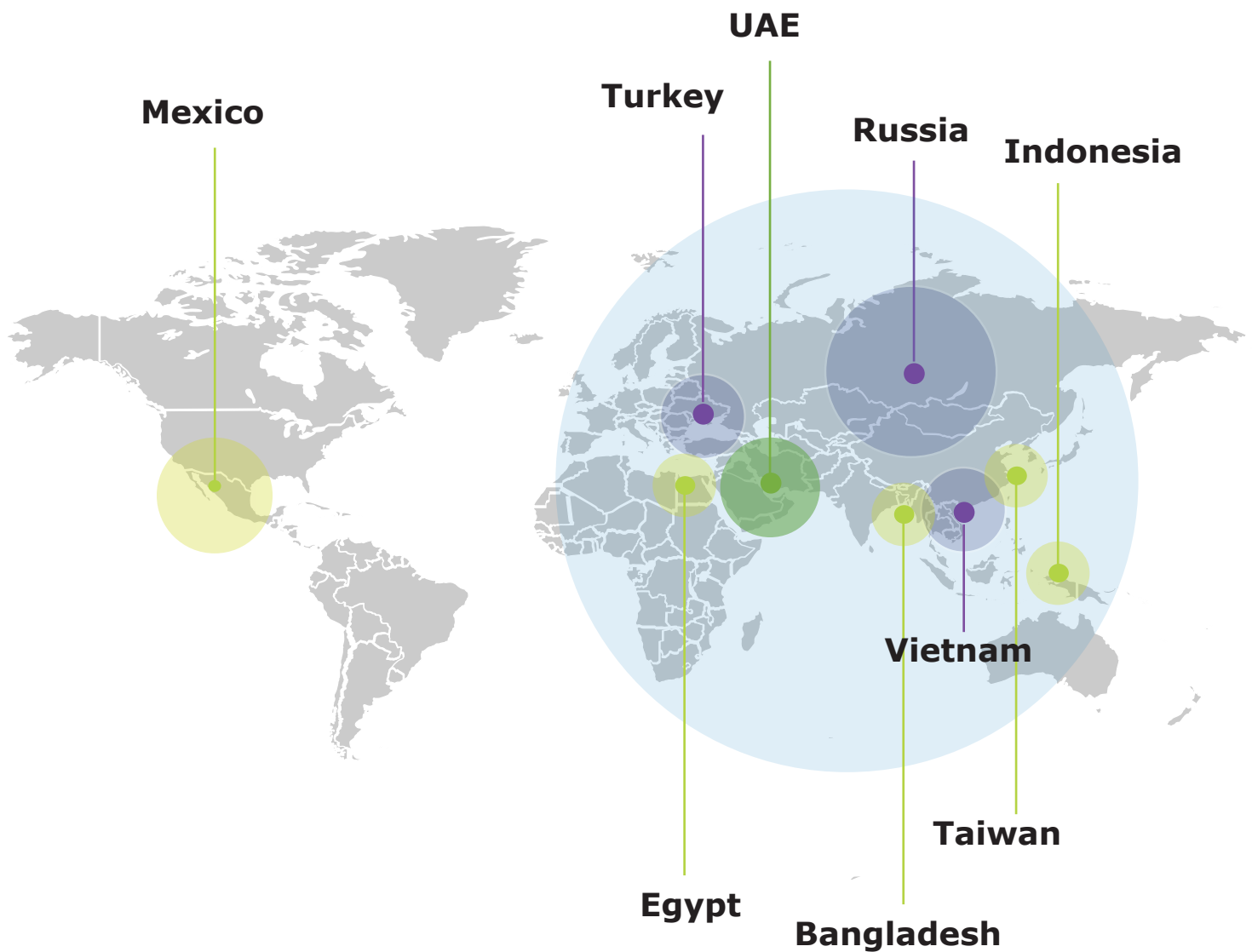
Your company has had phenomenal growth exporting its plethora of reactive blacks and other dyes to myriad nations around the world. A strong market has been found for these exports, particularly in nations like Turkey, Egypt, Bangladesh, Indonesia, Uzbekistan, Mexico, Brazil, and Vietnam. These countries are renowned for their substantial clothing exports to Europe, the USA, and other countries all over the globe.

The textile and apparel industries in these nations significantly impact the demand for Reactive Blacks and dyes. Turkey, a major player, exports 78% of its revenue, while Vietnam, Mexico, Brazil, Bangladesh, Indonesia, Uzbekistan, and Egypt contribute significantly to the global clothing export market. These nations manufacture various clothing for well-known brands and private labels, which are sold in Europe, the USA, and other international markets.

Our company's reactive blacks are crucial in export markets for textile and apparel manufacturing. They offer high-quality, colorfastness, and consistency, ensuring fabrics meet international market requirements. We have established strategic partnerships with exporters and manufacturers, establishing a reputation as a reliable supplier. Our commitment to providing premium dyes and consistent products has contributed to our success in these export markets.

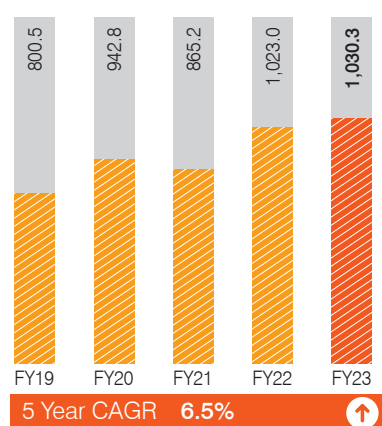
Your company is actively promoting the global textile and apparel industry through exporting activities. Your dyes enable textile producers in these countries to create fashionable, sturdy, and customer-friendly clothing. This contributes to the economy and employment in these industries. Your extensive Reactive Blacks and other dye exports to Turkey, Egypt, Bangladesh, Indonesia, Uzbekistan, Mexico, Brazil, and Vietnam demonstrate your significant impact on these countries' apparel export industries. These exports have fostered lasting relationships with top textile producers and provided valuable insights into their garment export preferences. This has enabled you to continuously innovate and create new dyeing solutions, solidifying your position as a reliable supplier in the global textile industry.

***"We have established strategic partnerships with exporters and manufacturers, establishing a reputation as a reliable supplier. Our commitment to providing premium dyes and consistent products has contributed to our success in these export markets"***

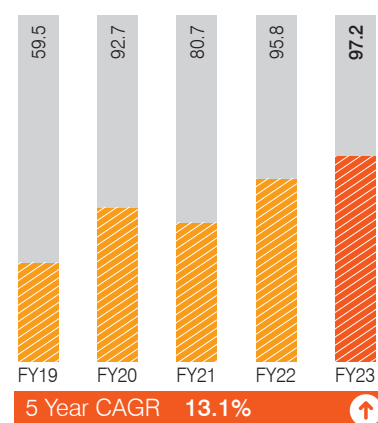


# Financial Highlights

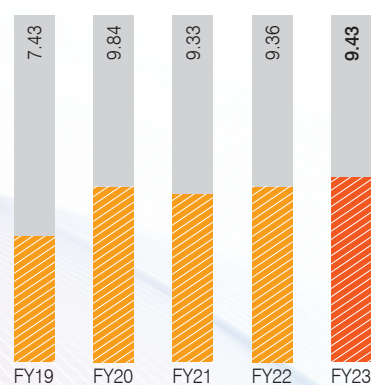
Revenue from operations (₹ Mn)



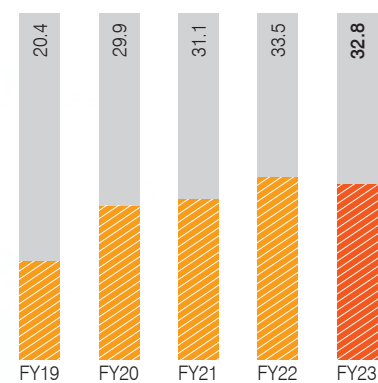
EBITDA (₹ Mn)



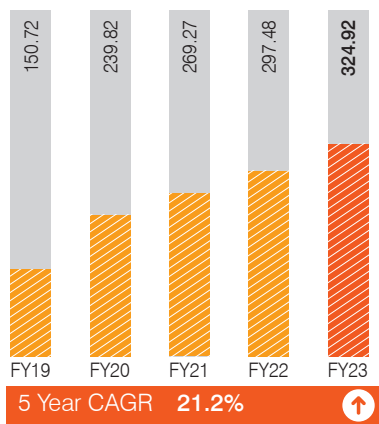
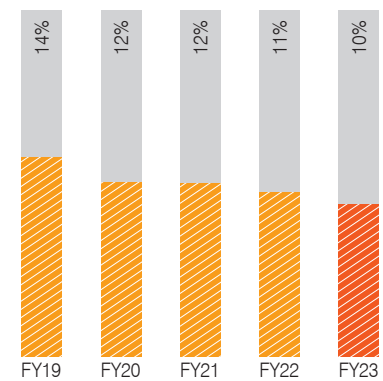
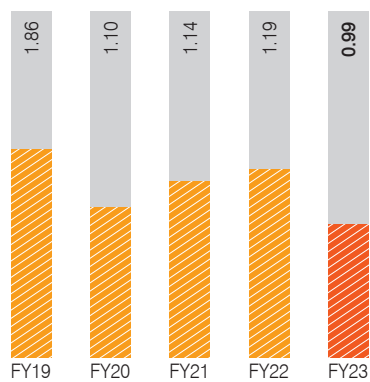
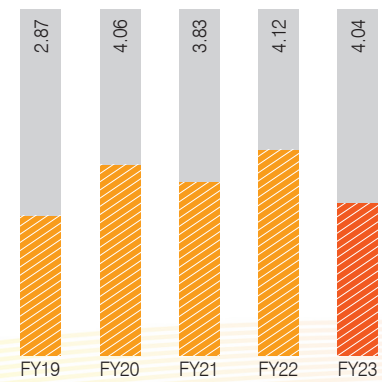
EBITDA margin (%)



PAT (₹ Mn)





**Networth** (₹ Mn)**ROE** (%)**Debt to Equity**(x)**EPS** (₹)

# Networking at its Best: Highlights from Exhibitions 2022-2023

## 1. 40th Dye + Chem Bangladesh 2022 International Expo



The 40th Dye+Chem Bangladesh 2022 were the premier event of prospective buyers and vendors of dyestuffs and chemicals ever held in Bangladesh. It also provided an interactive environment for exhibitors to build credibility through displays and direct interaction, augmented the synergy effect, and predisposed elevated industry professionals, improving the expo's technology focus and visitors. The symposium took place between August 31 and September 3, 2022 in Dhaka, Bangladesh.

We confronted a few fantastic consumers at this exhibition who seem to be reluctant to buy reactive dyes because our current business is already operating there. In pursuit of expanding our business with our two brands, NIKAFIX and NIKAZOL, we are primarily attributable on Bangladesh. The caliber and screening of our reactive dyes astonished these Good Consumers. They asserted an immense interest in crystallizing protracted coalitions to appease their burgeoning consumption in Bangladesh's textile and apparel industry.

## 2. Turkchem Chem Show Eurasia 2022

The aspiration of Turkchem International Chemical Industry Exhibitions 2022, which included ChemShow Eurasia, ChemLab Eurasia, and ChemTech Eurasia, was to introduce top businesses, cutting-edge technologies, and goods in the Chemical process and Chemical industry sectors. The event took place at the Istanbul Expo Center from November 24 to November 26, 2022. The exhibition brought together visitors and exhibitors from a range of industries, including petrochemicals, fine and specialty chemicals, commodity chemicals, and chemical intermediates.



Although Turkey has received half of our exports over the last decade, this exhibition was pivotal to all of us. Considering our commitment to predominantly intensifying our production both this year and next, we attempted to come up with a new business. The Turkish market, as we are aware, would be unceasingly eminently imbibed, so we are making every endeavor to assist the market grow in line with our expansion. By participating in this exhibition, we were able to introduce putative Turkish customers to our most recent products and innovations. Additionally, it gave us excellent networking chances that helped us forge new alliances and fortify old ones in an attempt to effectively endorse our expansion plans.



### 3. Uz Textile Expo Spring 2023



The leading international exhibition for the textile and fashion industries, the 6th Uz Textile Expo Spring 2023, took place in Tashkent from May 29 to May 31, 2023. The occasion brings to light the accomplishments of the textile and fashion sectors, from yarn to ready-to-wear apparel. With a focus on the biggest consumer market in Central Asia, it encourages trade and economic relations. The event is significant for professionals and industry experts, was supported by ministries and agencies, and is attended by representatives of the Cabinet of Ministers.

Although this market is relatively small compared to Bangladesh and Turkey, it continues to be significant as it reflects an emerging market for the textile and apparel industries. Even though there is nowadays minimal clamor for them because of the humanitarian crisis, we can assuredly focus our efforts on growing our brand, "Mahickra", in the near future. Our brand can build formidable pervasiveness in this developing market thanks to its growth potential. In a couple of years, we can establish ourselves as a top notch and innovative player in the textile industry by geopolitically maneuvering the difficulties presented by the current humanitarian crisis.

### 4. International Textile Machinery Association (ITMA) - 2023



The most notable exposition for textile and apparel technology is ITMA. Every four years, the industry coalesces at ITMA to exhibit the subsequent textile and apparel processing materials, equipment, and techniques, foster coalitions, and endorse collaborations. The event took place between June 8 and June 14, 2023, in Milan, Italy. Thousands of industry professionals, including manufacturers, designers, and researchers, flocked to the exhibition to learn about cutting-edge solutions and keep up with the most significant innovations in the textile and apparel industries. ITMA 2023 offered a platform for knowledge exchange and networking opportunities for all participants with a large selection of exhibitors and a thorough schedule of conferences and seminars.

We are delighted to share with you that our company actively participated in the exhibition and was able to draw in a considerable assortment of potential customers. We have picked out an enticing group of customers from among these ones who have shown a keen interest in buying reactive dyes soon. Visitors to our booth have come from Peru, Brazil, Mexico, Honduras, Turkey, Egypt, Bangladesh, etc. We anticipate a significant increase in sales of new reactive dyes and other chemicals. We currently have new inquiries, which may eventually result in new business. These potential customers have expressed interest in our other chemical products in addition to reactive dyes, which we sell. They are eager to establish long-term business relationships and have expressed enthusiasm for the quality of our products.



# Path to Progress: Teasing Our Upcoming Product Lineup

Our plan involves using pigment emulsions in various industries, such as textiles, solvent paints, and rubber. This environmentally responsible strategy minimizes carbon emissions and increases revenue and profit margins. The growing demand for eco-friendly goods and premium pigment emulsions make us a strong contender in this growing market.

Your company is developing reactive dyes with exceptional absorbency for medium-to-dark shades, targeting cotton and hosiery printing. This innovative dye offers exceptional colorfastness, ensuring vibrant colors remain even after extensive use and washings, benefiting fashion producers and designers. This new development emphasizes efficient, environmentally friendly practices in the textile sector, using reactive dyes that meet sustainability standards and legislation, minimizing negative environmental effects.

High fastness properties of dyes significantly reduce effluent load during dyeing and printing processes. These dyes cling to fabric colors and prevent fading or oozing, reducing the need for additional dyeing cycles and water consumption. This leads to a decline in effluent discharge and more sustainable textile production.



Our reactive dyes cater to the growing demand for medium- to dark shades and the industry's commitment to ecological responsibility. They offer aesthetic impact, fastness properties, and sustainable features, demonstrating our commitment to green manufacturing and ethical business practices. This innovative approach improves the aesthetic appeal of textiles and meets the growing demand for sustainable and ethical textiles, benefiting both the industry and consumers who prioritize eco-friendly options in their purchasing decisions.

***"The growing demand for eco-friendly goods and premium pigment emulsions make us a strong contender in this growing market."***



# Awards and Certifications



CHEMEXCIL SILVER AWARD  
2018-19 DYES & DYE  
INTERMEDIATES PANEL



THE GUJARAT DYESTUFF  
MANUFACTURERS ASSOCIATION  
FOR SELF-MANUFACTURED  
DIRECT EXPORT (FY 2021-22)



THE GUJARAT DYESTUFF  
MANUFACTURERS ASSOCIATION  
FOR SELF-MANUFACTURED  
DOMESTIC SALES OF DYES (FY  
2019-20)



THE GUJARAT DYESTUFF  
MANUFACTURERS  
ASSOCIATION FOR SELF-  
MANUFACTURED DIRECT  
EXPORT OF DYES (FY 2020-21)



THE GUJARAT DYESTUFF  
MANUFACTURERS  
ASSOCIATION FOR SELF-  
MANUFACTURED EXPORT  
SALES OF DYES (FY 2019-20)



# Certifications:

Certificado • Serfika • प्रमाण पत्र • Zertifikat • شهادة

CERTIFICATE OF REGISTRATION



**MAHICKRA CHEMICALS LIMITED**  
 Regd. Office: Plot No.1209, Phase-3, GIDC, Vatva,  
 Ahmedabad-382445, Gujarat, India  
 Corp. Office: Plot No. 1201, 1202, Phase-3, GIDC, Vatva,  
 Ahmedabad-382445, Gujarat, India

This certificate verifies that the above Organisation has been audited on the above address for scope as under and found to be in accordance with the requirements of Management system.

**ISO 9001:2015**  
**Quality Management System**

Manufacture, Exports and Supply of Dyes and Chemicals

Certificate No.: Q-18121903  
 Date of initial registration 19-12-2018  
 Date of this certificate/ Issue No. 01-12-2022/05  
 Certificate Expiry 17-12-2023  
 Recertification Due 17-12-2024

\*After successful completion of Annual Surveillance Audit, New Certificate will be issued.  
 This Certificate is valid as per Rules and Regulations of EC, & also the surveillance audits conducted atleast once a year.  
 To check the certification validity please visit our website- [www.theecd.com](http://www.theecd.com) or contact at- [info@theecd.com](mailto:info@theecd.com)



Director

**Equalitas Certifications Limited**

Accreditation by International Accreditation Service, 3800 Saturn Street Suite 100 Brea, California 92821-1732, USA  
 512, GDA 1, District Center, Jamnagar, New Delhi-110028, India, Ph: +91 11 46681431, 8546751844  
 Email: [info@theecd.com](mailto:info@theecd.com), Website: [www.theecd.com](http://www.theecd.com)

Certificado • Serfika • प्रमाण पत्र • Zertifikat • شهادة

CERTIFICATE OF REGISTRATION



**MAHICKRA CHEMICALS LIMITED**  
 Regd. Office: Plot No.1209, Phase-3, GIDC, Vatva,  
 Ahmedabad-382445, Gujarat, India  
 Corp. Office: Plot No. 1201, 1202, Phase-3, GIDC, Vatva,  
 Ahmedabad-382445, Gujarat, India

This certificate verifies that the above Organisation has been audited on the above address for scope as under and found to be in accordance with the requirements of Management system.

**ISO 14001:2015**  
**Environmental Management System**

Manufacture, Exports and Supply of Dyes and Chemicals

Certificate No.: E-18121901  
 Date of initial registration 19-12-2018  
 Date of this certificate/ Issue No. 01-12-2022/05  
 Certificate Expiry 17-12-2023  
 Recertification Due 17-12-2024

\*After successful completion of Annual Surveillance Audit, New Certificate will be issued.  
 This Certificate is valid as per Rules and Regulations of EC, & also the surveillance audits conducted atleast once a year.  
 To check the certification validity please visit our website- [www.theecd.com](http://www.theecd.com) or contact at- [info@theecd.com](mailto:info@theecd.com)



Director

**Equalitas Certifications Limited**

Accreditation by International Accreditation Service, 3800 Saturn Street Suite 100 Brea, California 92821-1732, USA  
 512, GDA 1, District Center, Jamnagar, New Delhi-110028, India, Ph: +91 11 46681431, 8546751844  
 Email: [info@theecd.com](mailto:info@theecd.com), Website: [www.theecd.com](http://www.theecd.com)

Mahickra Chemicals Limited  
 Plot No. 1209, Phase 3  
 GIDC Vatva  
 Ahmedabad - 382 445, Gujarat, INDIA



Hohenstein Textile Testing Institute  
 GmbH & Co. KG  
 74357 Balingen  
 Germany

**Certificate**  
**OEKO-TEX® ECO PASSPORT**

**Mahickra Chemicals Limited**  
 is granted the OEKO-TEX® ECO PASSPORT certification  
 and the right to use the trademark.

**TYPE**  
 ECO PASSPORT with On-Site Visit  
**PRODUCTS**  
 See attached enclosure  
**PRODUCT CATEGORY**  
 2.6 Reactive dyes



This certificate 20.0.36394 is valid until 29.02.2024.

**SUPPORTING DOCUMENTS**

- ✓ Test Report Number: 22.0.42326
- ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX®
- ✓ RSL Screening Report
- ✓ Detailed information about the components and safety data sheets of the certified chemical products
- ✓ Self-Assessment Report
- ✓ On-Site Visit Report

*Joanne Schwan*  
 Dipl.-Ing. (FH) Joanne Schwan  
 Head of Certification Body OEKO-TEX®

The above captioned products can be used for the production of human-ecological optimized textiles & leathers.  
 The combined results of the reports mentioned above reveal that there is no harmful effect on the human and environmental health of the textiles & leathers treated/finished with the certified products.  
 ZDHC MRL 2.0 Conformance Level 3 is achieved for certified products without restrictions.  
 Further compliance information (REACH, SVHC, POP etc.) can be found on [oeko-tex.com/en/faq](http://oeko-tex.com/en/faq)  
 This certificate is based on the test methods and requirements of the OEKO-TEX® ECO PASSPORT that were in force at the time of evaluation.

OEKO-TEX Service GmbH, Gerberstrasse 23, CH-8002 Zurich

Balingen, 2023-03-25

CU Inspections & Certifications India Private Limited,  
 22nd & 23rd Floor, B wing, Anant Aara, Plot no. 13/1, TTC  
 Opp. Turbhe Railway Station, Thane Belapur Road, Navi Mumbai - 400709, India  
<http://www.centrulab.com>  
 Tel: +91 22 6129 4224 & 229

**LETTER OF APPROVAL**  
**for Colourants / Textile Auxiliaries**

N° GOTS-C 827595-01-2022

CU Inspections & Certifications India Private Limited declares that  
 the Colourants and/or Textile Auxiliaries listed below have been evaluated and assessed for

**MAHICKRA CHEMICALS LIMITED**  
 Plot No.1209, Phase 3, GIDC Vatva,  
 Ahmedabad-382445  
 Gujarat, INDIA

on basis of information requested and provided, according to the applicable criteria of the  
**Global Organic Textile Standard (GOTS)**  
**- Version 6.0 -**

Accordingly the listed Colourants and/or Textile Auxiliaries are approved for use as inputs  
 for application in the processing of GOTS certified textile products.

It is further confirmed that the formulator has been audited for product stewardship as well as  
 environment, health & safety requirements of the Standard on 30 September 2021.

This Letter of Approval is valid until: **03 November 2023**

Place and Date of Issue  
 Navi Mumbai, 04 November 2022

Stamp of the issuing body

*Yogesh Akure*  
 Name of the authorised person  
 On Behalf of the Managing Director  
 Mr. Yogesh Akure - Certifier

This letter of approval replaces any previous issue(s).

The issuing body can withdraw this Letter of Approval before it expires if the declared approval is no longer  
 guaranteed.

The company for which the inputs have been assessed remains responsible for the correctness and completeness  
 of the provided data as well as for the continued compliance with the applicable criteria of GOTS. Relevant  
 information on any of the approved inputs, of which knowledge has been obtained after this approval letter has been  
 issued, shall be forwarded to the issuing body without delay.

Accredited by: International Organic Accreditation Services (IOAS), Accreditation N°: 81

GOTS Letter of Approval MAHICKRA CHEMICALS LIMITED, page 1 of 6

# NOTICE

**NOTICE** is hereby given that the 06th (Sixth) Annual General Meeting ("AGM") of the Members of Mahickra Chemicals Limited ("the Company") (CIN No. L24304GJ2017PLC099781) will be held on Tuesday, 29<sup>th</sup> August, 2023 at 03:00 p.m. (IST) at the Corporate Office of the Company i.e. at Plot no.1201-1202, Phase-3, G.I.D.C., Vatva, Ahmedabad-382445, Gujarat, India to transact the following businesses:

## ORDINARY BUSINESSES:

1. **To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2023, Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and the Auditors thereon.**

a. **RESOLVED THAT** the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.

b. **RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2023 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 appoint a director in place of Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361), who retires by rotation and being eligible, offers himself for re-appointment as a Director.**

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361), who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company."

3. **Re-appointment of M/s. Singhi & Co., Chartered Accountants as Statutory Auditors of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and any 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) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Singhi & Co., Chartered Accountants, having (Firm Registration No. 302049E), Ahmedabad, who have offered themselves for re-appointment and have confirmed their eligibility to be re-appointed as the Statutory Auditors of the Company be and are hereby reappointed as the Statutory Auditors of the Company for a second term of consecutive 5 (five) years, who shall hold office from the conclusion of this 06th Annual General Meeting till the conclusion of the 11th Annual General Meeting on such remuneration as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to decide and / or alter the terms and conditions of the appointment including remuneration for subsequent financial years as it deems fit."

## SPECIAL BUSINESSES:

4. **Appointment of Mr. Niren Atinbhai Desai (DIN: 10192300) as an Independent Director of the Company.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors Mr. Niren Atinbhai Desai (DIN: 10192300), who was appointed as an Additional Director in the capacity of an Independent Director w.e.f. July 15, 2023, and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of ensuing Annual

# NOTICE

General Meeting, be and is hereby, appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years with effect from July 15, 2023 till July 14, 2028."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign the requisite forms / documents and to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be considered necessary, desirable or expedient to give effect to this resolution."

## 5. Appointment of Mrs. Basari Dhanik Mehta (DIN: 10197176) as an Independent Director of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors, of Mrs. Basari Dhanik Mehta (DIN: 10197176), who was appointed as an Additional Director of the Company in the capacity of an Independent Director of the Company w.e.f. July 15, 2023, who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of ensuing Annual General Meeting, be and is hereby, appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years with effect from July 15, 2023 till July 14, 2028."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign the requisite forms / documents and to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be

considered necessary, desirable or expedient to give effect to this resolution."

## 6. Re-appointment of Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361) as Managing Director and remuneration thereon.

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

**"RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, and 203 read with Schedule V and any other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Article of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the consent of members of the Company be and is hereby accorded for the re-appointment of Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361) as a Managing Director of the Company, whose office not in between i.e. will not be liable to retire by rotation, for a period of 3 (three) consecutive years with effect from December 20, 2023 on the terms and conditions including the remuneration as set out in the explanatory statement annexed to the notice convening this AGM.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of Mr. Miteshkumar Champaklal Gandhi, the Company has no profits or profits are inadequate, the remuneration as provided in explanatory statements shall be paid as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to alter and vary such terms and conditions as it may deem appropriate in relation to appointment of Mr. Miteshkumar Champaklal Gandhi as the Managing Director of the Company, in compliance with the applicable provisions of the Act, other applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to hereinafter



# NOTICE

include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**7. Re-appointment of Mr. Ashishkumar Champaklal Gandhi (DIN: 02142344) as Whole-Time Director and remuneration thereon.**

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

“**RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, and 203 read with Schedule V and any other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Article of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the consent of members of the Company be and is hereby accorded for the re-appointment of Mr. Ashishkumar Champaklal Gandhi (DIN: 02142344) as Whole-Time Director of the Company, whose office will be liable to retire by rotation, for a period of 3 (three) consecutive years with effect from December 20, 2023 on the terms and conditions including the remuneration as set out in the explanatory statement annexed to the notice convening this AGM.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of Mr. Ashishkumar Champaklal Gandhi, the Company has no profits or profits are inadequate, the remuneration as provided in explanatory statements shall be paid as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to alter and vary such terms and conditions as it may deem appropriate in relation to appointment of Mr. Ashishkumar Champaklal Gandhi as Whole-Time Director of the Company, in compliance with the applicable provisions of the Act, other applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to hereinafter include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**8. Re-appointment of Mrs. Komal Miteshkumar Gandhi (DIN: 02137805) as Whole-Time Director and remuneration thereon.**

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

“**RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, and 203 read with Schedule V and any other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Article of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, the consent of members of the Company be and is hereby accorded for the re-appointment of Mrs. Komal Miteshkumar Gandhi (DIN: 02137805) as Whole-Time Director of the Company, whose office will be liable to retire by rotation, for a period of 3 (three) consecutive years with effect from December 20, 2023 on the terms and conditions including the remuneration as set out in the explanatory statement annexed to the notice convening this AGM.

**RESOLVED FURTHER THAT** where in any financial year during the tenure of Mrs. Komal Miteshkumar Gandhi, the Company has no profits or profits are inadequate, the remuneration as provided in explanatory statements shall be paid as minimum remuneration in compliance with applicable law notwithstanding that such remuneration may exceed the limits.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to alter and vary such terms and conditions as it may deem appropriate in relation to appointment of Mrs. Komal Miteshkumar Gandhi as Whole-Time Director of the Company, in compliance with the applicable provisions of the Act, other applicable laws.

# NOTICE

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to hereinafter include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**9. Approval for giving loan or guarantee or providing security in connection with loan availed by any of the company's subsidiary(ies) or associate(s) or any other person/entity(ies) specified under Section 185 of the Companies Act, 2013**

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

“**RESOLVED THAT** pursuant to the provisions of Section 185(2) and other applicable provisions, if any, of the Act and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include,

unless the context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the “Entities”), up to a sum not exceeding Rs.100 Crores [Rupees One Hundred Crores Only] at any point in time, in its absolute discretion deem beneficial and in the best interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, sanction and disburse the loans to any person in whom any of the directors of the company is interested, and also to delegate all or any of the above powers to the respective committee 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.”

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863

**Registered Office:**

Plot No. 1209, Phase III, GIDC, Vatva,  
Ahmedabad – 382445, Gujarat, India

# NOTICE

## NOTES:

1. The Register of Members and Share Transfer Books of the Company will remain close from **Saturday, 19<sup>th</sup> August, 2023 to Tuesday, 29<sup>th</sup> August, 2023** (both days inclusive) for the purpose of annual general meeting.
2. IN TERMS OF SECTION 105 OF THE COMPANIES ACT, 2013 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 [fifty] and holding in aggregate not more than ten (10) per cent of the total share capital of the Company. In case proxies proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any such other person or shareholder.
3. In line with MCA Circulars and SEBI Circulars, the Annual Report for the financial year 2022-23 along with Notice of 06<sup>th</sup> AGM of the Company inter-alia indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s) for communication. Members may note that the aforesaid documents may also be downloaded from the Company's website [www.mahickra.com](http://www.mahickra.com) and the website of National Stock Exchange of India Limited In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, and signed and stamped, not less than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.
6. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the financials and other communications electronically.
9. The relative explanatory statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business set out in the notice are annexed hereto.
10. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by "National Securities Depository Limited" (NSDL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.
11. Members' voting rights shall be in proportion to his/her share of paid up equity share capital of the Company.
12. In case of joint holders attending the meeting together, only whose name appearing first will be entitled to vote.
13. This notice is being sent to all the members at their registered e-mail IDs, whose names appear in the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on 07<sup>th</sup> August, 2023. The Notice is also posted on the website of the Company i.e. [www.mahickra.com](http://www.mahickra.com).
14. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company registered office



# NOTICE

at least 5 days before the Annual General Meeting so that the same can be suitably replied to.

15. Members who have registered their e-mail id for the receipt of documents in electronic mode are being sent AGM Notice by e-mail. Members who have received AGM Notice by e-mail and wish to vote physically can do the same by remaining present in the meeting.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, Big-Share Services Pvt. Ltd. at E-2&3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai-400072.
17. In terms of Section 152 of the Companies Act, 2013, Mr. Miteshkumar Gandhi (DIN: 02142361), Managing Director of the Company, liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.
18. The members who did not exercise their vote by E-Voting shall have an option to cast their vote on poll that will be conducted at the AGM Venue. Further there shall not be any voting through Show of Hands.
19. The Company has appointed M/s. Ashish Sheth & Associates, Chartered Accountants (FRN: 146184W) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
20. The Scrutinizer shall, immediately after the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company, who shall counter-sign the same.
21. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on

the Company's website [www.mahickra.com](http://www.mahickra.com) and on the website of National Securities Depository Limited immediately after the result is declared by the Chairman and communicated to National Stock Exchange of India Limited.

22. Electronic copy of the Notice of the 06th Annual General Meeting of the Company, inter alia, indicating the process of e-voting along as stated herein with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/DP(s) for communication purposes unless any member has requested for a physical copy of the same.
23. Members may also note that the Notice of the 06<sup>th</sup> Annual General Meeting and the Annual Report for F.Y. 2022-23 will also be available on the Company's website [www.mahickra.com](http://www.mahickra.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. For any communication related to this AGM or otherwise, the Members may also send requests to the Company's investor email: [cs@mahickra.com](mailto:cs@mahickra.com).
24. SEBI has mandated the submission of Permanent Account number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN details to their Depository Participants.

## The Instructions for Members for Remote E-Voting are as under:-

The remote e-voting period begins on Saturday, August 26, 2023 at 09:00 A.M. and ends on Monday, August 28, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 22, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 22, 2023.

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

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

# NOTICE

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



### A) Login method for e-Voting for Individual shareholders holding securities in demat mode



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

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

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

**NSDL Mobile App is available on**

 **App Store**  **Google Play**



# NOTICE

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

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

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

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



# NOTICE

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

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

The .pdf file contains your 'User ID' and your 'initial password'.

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

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

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

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

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

# NOTICE

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ashish@pjshahca.com

with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Hardik Thakkar at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

# NOTICE

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

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863

**Registered Office:**

Plot No. 1209, Phase III, GIDC, Vatva,  
Ahmedabad – 382445, Gujarat, India



# NOTICE

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT:

### Item No. 3:

M/s. Singhi & Co., Chartered Accountants (Firm Registration no.: 302049E) were appointed as the Statutory Auditors of the Company by the Members at the 01<sup>st</sup> Annual General Meeting (AGM) held on 29<sup>th</sup> September, 2018 to hold office from the conclusion of the 06<sup>th</sup> AGM till the conclusion of the 06<sup>th</sup> AGM of the Company to be held in the calendar year 2023. The present term of M/s. Singhi & Co., expires on conclusion of the 06<sup>th</sup> AGM. They are eligible for re-appointment for a second term of 5 (five) years in terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014. The Company has received eligibility letter from M/s. Singhi & Co., confirming that their appointment will be in accordance with the provisions of Section 139 read with Section 141 of the Act. Considering their performance for the last 5 (five) years, the Audit Committee has recommended the re-appointment of M/s. Singhi & Co., to the Board of Directors of the Company, which the Board has accepted and approved, subject to the approval of the Members. The remuneration to be paid to the Statutory Auditors shall be decided by the Board of Directors. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors / Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at the Item No. 3 of the accompanying Notice of the AGM.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members

### Item No. 4

Mr. Niren Atinbhai Desai (DIN: 10192300) was appointed as an Additional Director under the category of Non-Executive Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from July 15, 2023. He holds office as an Independent Director of the Company up to the conclusion of the ensuing Annual General Meeting.

The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience, the association of Mr. Niren Desai would be beneficial to the Company.

Accordingly, it is proposed to appoint Mr. Niren Desai as an Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a first term of 5 (five) consecutive years on the Board of the Company.

Mr. Niren Desai is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as an Independent Director.

The Company has also received declaration from Mr. Niren Desai that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mr. Niren Desai fulfills the conditions for appointment as an Independent Directors as specified in the Act and the Listing Regulations.

Additional information of Mr. Niren Desai whose appointment as Independent Directors is proposed at Item No. 4, is provided in the “Annexure 1” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Except Mr. Niren Desai and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

### Item No. 5

Mrs. Basari Dhanik Mehta (DIN: 10197176) was appointed as an Additional Director under the category of Non-Executive Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from July 15, 2023. She holds office as an Independent Director of the Company up to the conclusion of the ensuing Annual General Meeting.

The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience, the association of Mrs. Basari Mehta would be beneficial to the Company.

Accordingly, it is proposed to appoint Mrs. Basari Mehta as an Non-Executive Independent Director of the Company, not

# NOTICE

liable to retire by rotation and to hold office for a first term of 5 (five) consecutive years on the Board of the Company.

Mrs. Basari Mehta is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as an Independent Director.

The Company has also received declaration from Mrs. Basari Mehta that she meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mrs. Basari Mehta fulfills the conditions for appointment as an Independent Directors as specified in the Act and the Listing Regulations.

Additional information of Mrs. Basari Mehta whose appointment as Independent Directors is proposed at Item No. 5, is provided in the “**Annexure 1**” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Except Mrs. Basari Mehta and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

## Item No. 6

The Members of the Company at the 03<sup>rd</sup> AGM held on September 25, 2020, had re-appointed Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361) as a Managing Director to hold office for a term of 3 (three) years commencing from December 20, 2020. Accordingly, his term as Managing Director of the Company is due for expiration in December 19, 2023.

Mr. Miteshkumar C. Gandhi, age 52 years is presently designated as the Managing Director of the Company. He has served as a director of our company since its inception, and we have benefited from his direction and supervision. He has a lot of expertise in the chemical industry. He has been assigned the responsibility of marketing, fostering, and enhancing the company's products.

The Board of Directors at their meeting held on July 15, 2023, based on the recommendation of, Nomination and Remuneration Committee and has approved the reappointment and remuneration of Mr. Miteshkumar C.

Gandhi as a Managing Director for a further period of 3 (three) years commencing from December 20, 2023, subject to approval of the members.

Mr. Miteshkumar C. Gandhi is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Managing Director of the Company.

Mr. Miteshkumar C. Gandhi is Director in the Palash Colours Private Limited and RCN Specialities Private Limited as well as Proprietor in the Arham Exports.

The principal terms and conditions of re-appointment of Mr. Miteshkumar C. Gandhi including the terms of remuneration are given below:

- a) **Basic Salary:** Basic Salary not more than 72 Lakhs per annum during his tenure as the Managing Director of the Company, with an annual increment not more than 30% of the last salary drawn (effective from April 01 of each year) based on the annual performance and policy of the Company.
- b) **Variable Pay Linked to Profit:** In addition to (a) above, he shall be paid variable pay not more than 2% of the net profits of the Company computed in the manner laid down in Section 198 of the Act for the concerned financial year during his tenure as the Managing Director of the Company.
- c) **Reimbursement of expenses:** Expenses incurred for travelling, board and lodging including for spouse and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and/or borne by the Company at actuals.
- d) Mr. Miteshkumar C. Gandhi along with the other employees of the Company, be entitled to the Bonus as per the Policy of the Company and will be in addition to the aforesaid Remuneration.
- e) Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Miteshkumar C. Gandhi may be determined by the Board and / or the Nomination & Remuneration Committee of the Board.
- f) The overall remuneration payable every year to Mr. Miteshkumar C. Gandhi by way of salary, perquisites and allowances, incentive / bonus / performance linked

# NOTICE

incentive, remuneration based on net profits, etc., as the case may be, shall be in accordance with the provision of the Section 197 of the Act read with Schedule V of the Act.

- g) He shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of

the Company including provident fund, superannuation fund or annuity fund, gratuity, medical and health insurance plans etc.

- h) All payments to be made or to be credited shall be subject to such deduction and withholdings of tax or otherwise as the Company may be mandated or required to do so whether by any applicable laws, regulations or guidelines or pursuant to any contract to such effect.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. Miteshkumar C. Gandhi under Section 190 of the Act.

The information required under item (iv) of third proviso of Section II of Part II of Schedule V of Companies Act, 2013 are as follows:

## A. General Information: As per Annexure-A

### B. Information about the Appointee:

a. Background details	Mr. Miteshkumar C. Gandhi has obtained Bachelor Degree of Engineering in Chemical Engineering. He has vast and rich experience of Chemical Industry. He has been on the Board since 2017.
b. Past remuneration	During the financial year ended March 31, 2023, ₹ 26 Lakhs was paid as remuneration to Mr. Miteshkumar C. Gandhi.
c. Recognition or awards	Not Applicable
d. Job profile and his suitability	Mr. Miteshkumar C. Gandhi is the Managing Director of the Company. He is actively involved in the decision-making and management of day-to-day operations. He is mainly responsible for marketing, fostering, and enhancing the company's products.
e. Remuneration proposed	As proposed in explanatory statement.
f. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Miteshkumar C. Gandhi of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and position of Whole Time Director held in similar sized Companies
g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Mr. Miteshkumar C. Gandhi, Managing Director of the Company, Mr. Ashishkumar C. Gandhi, Whole-Time Director of the Company and Mrs. Komal M. Gandhi, Whole-Time Director of the Company. They all are relatives to each other as per Act.  Mr. Miteshkumar C. Gandhi being promoter is holding 6,79,528 equity shares of the Company and through its HUF he holds 76,500 equity shares of the Company.

### C. Other Information: As per Annexure B

In compliance with the provisions of Sections 196, 197 and other applicable provisions, if any, of the Act, read with Schedule V thereto and other applicable provisions, the terms of re-appointment and remuneration specified above are now being placed before the Members for their approval. Relevant documents in respect of the said item are open for inspection on all working days up to the date of the Meeting.

The Company has immensely benefited during his tenure as Managing Director. The Board considers that his continued association would be of immense benefit to the Company. The Board is satisfied with the integrity, expertise, and experience



# NOTICE

(including the proficiency) of Mr. Miteshkumar C. Gandhi who is being re-appointed at this AGM and accordingly, the Board recommends the resolution for his re-appointment as set out at Item No. 6 of the accompanying Notice for approval by the Members of the Company.

Except, Mr. Miteshkumar C. Gandhi, being an appointee, Mr. Ashishkumar C. Gandhi, Whole-Time Director and Mrs. Komal M. Gandhi, Whole-Time Director of the Company being relative, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 6 of the Notice.

## Item No. 7

The Members of the Company at the 03<sup>rd</sup> AGM held on September 25, 2020, had re-appointed Mr. Ashishkumar Champaklal Gandhi (DIN: 02142344) as a Whole-Time Director to hold office for a term of 3 (three) years commencing from December 20, 2020. Accordingly, his term as Whole-Time Director of the Company is due for expiration in December 19, 2023.

Mr. Ashishkumar C. Gandhi, age 51 years is presently designated as the Whole-Time Director of the Company. He has served as a director of our company since its inception, and we have benefited from his direction and supervision. He has rich experience in the Field of Finance, taxation and other related matters.

The Board of Directors at their meeting held on July 15, 2023, based on the recommendation of, Nomination and Remuneration Committee and has approved the reappointment and remuneration of Mr. Ashishkumar C. Gandhi as a Whole-Time Director for a further period of 3 (three) years commencing from December 20, 2023, subject to approval of the members.

Mr. Ashishkumar C. Gandhi is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Whole-Time Director of the Company.

Mr. Ashishkumar C. Gandhi is a Director in the RCN Specialities Private Limited.

The principal terms and conditions of re-appointment of Mr. Ashishkumar C. Gandhi including the terms of remuneration are given below:

- a) **Basic Salary:** Basic Salary not more than 72 Lakhs per annum during his tenure as the Managing Director of the Company, with an annual increment not more than 30% of the last salary drawn (effective from April 01 of each year) based on the annual performance and policy of the Company.
- b) **Variable Pay Linked to Profit:** In addition to (a) above, he shall be paid variable pay not more than 2% of the net profits of the Company computed in the manner laid down in Section 198 of the Act for the concerned financial year during his tenure as the Whole-Time Director of the Company.
- c) **Reimbursement of expenses:** Expenses incurred for travelling, board and lodging including for spouse and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and/or borne by the Company at actuals.
- d) Mr. Ashishkumar C. Gandhi along with the other employees of the Company, be entitled to the Bonus as per the Policy of the Company and will be in addition to the aforesaid Remuneration.
- e) Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Ashishkumar C. Gandhi may be determined by the Board and / or the Nomination & Remuneration Committee of the Board.
- f) The overall remuneration payable every year to Mr. Ashishkumar C. Gandhi by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc., as the case may be, shall be in accordance with the provision of the Section 197 of the Act read with Schedule V of the Act.
- g) He shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of the Company including provident fund, superannuation fund or annuity fund, gratuity, medical and health insurance plans etc.
- h) All payments to be made or to be credited shall be subject to such deduction and withholdings of tax or otherwise as the Company may be mandated or required to do so whether by any applicable laws, regulations or guidelines or pursuant to any contract to such effect.

# NOTICE

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. Ashishkumar C. Gandhi under Section 190 of the Act.

The information required under item (iv) of third proviso of Section II of Part II of Schedule V of Companies Act, 2013 are as follows:

## A. General Information: As per Annexure-A

### B. Information about the Appointee:

a. Background details	Mr. Ashishkumar C. Gandhi has obtained Bachelor Degree of Engineering in Electrical Engineering. He has en-rich knowledge and experience of Finance. He has been on the Board since 2017.
b. Past remuneration	During the financial year ended March 31, 2023, ₹ 31.85 Lakhs was paid as remuneration to Mr. Ashishkumar C. Gandhi.
c. Recognition or awards	Not Applicable
d. Job profile and his suitability	Mr. Ashishkumar C. Gandhi is the Whole-Time Director of the Company. He is actively involved in the decision-making and management of day-to-day operations. He is mainly responsible for finance, taxation and other matters.
e. Remuneration proposed	As proposed in explanatory statement.
f. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Ashishkumar C. Gandhi of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and position of Whole Time Director held in similar sized Companies
g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Mr. Ashishkumar C. Gandhi, Whole-Time Director of the Company, Mr. Miteshkumar C. Gandhi, Managing Director of the Company and Mrs. Komal M. Gandhi, Whole-Time Director of the Company. They all are relatives to each other as per Act.  Mr. Ashishkumar C. Gandhi being promoter is holding 17,85,623 equity shares of the Company and through his HUF, he holds 63,000 equity shares of the Company

### C. Other Information: As per Annexure B

In compliance with the provisions of Sections 196, 197 and other applicable provisions, if any, of the Act, read with Schedule V thereto and other applicable provisions, the terms of re-appointment and remuneration specified above are now being placed before the Members for their approval. Relevant documents in respect of the said item are open for inspection on all working days up to the date of the Meeting. The Company has immensely benefited during his tenure as Whole-Time Director. The Board considers that his continued association would be of immense benefit to the Company. The Board is satisfied with the integrity, expertise, and experience (including the proficiency) of Mr. Ashishkumar C. Gandhi who is being re-appointed at this AGM and accordingly, the Board recommends the resolution for his re-appointment as set out at Item No. 7 of the accompanying Notice for approval by the Members of the Company.

Except, Mr. Ashishkumar C. Gandhi, being an appointee, Mr. Miteshkumar C. Gandhi Managing Director and Mrs. Komal M. Gandhi, Whole-Time Director of the Company being relative, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 7 of the Notice.

### Item No. 8

The Members of the Company at the 03<sup>rd</sup> AGM held on September 25, 2020, had re-appointed Mrs. Komal Miteshkumar Gandhi (DIN: 02137805) as a Whole-Time Director to hold office for a term of 3 (three) years commencing from December 20, 2020. Accordingly, her term as Whole-Time Director of the Company is due for expiration in December 19, 2023.

# NOTICE

Mrs. Komal M. Gandhi, age 51 years is presently designated as the Whole-Time Director of the Company. She has served as a director of our company since its inception, and we have benefited from her direction and supervision. She is Commerce Graduate in the field of Accounting and she had completed Diploma in Banking from Technical Examination Board.

The Board of Directors at their meeting held on July 15, 2023, based on the recommendation of, Nomination and Remuneration Committee and has approved the reappointment and remuneration of Mrs. Komal M. Gandhi as a Whole-Time Director for a further period of 3 (three) years commencing from December 20, 2023, subject to approval of the members.

Mrs. Komal M. Gandhi is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Whole-Time Director of the Company.

The principal terms and conditions of re-appointment of Mrs. Komal M. Gandhi including the terms of remuneration are given below:

- a) **Basic Salary:** Basic Salary not more than 72 Lakhs per annum during her tenure as the Whole-Time Director of the Company, with an annual increment not more than 30% of the last salary drawn (effective from April 01 of each year) based on the annual performance and policy of the Company.
- b) **Variable Pay Linked to Profit:** In addition to (a) above, she shall be paid variable pay not more than 2% of the net profits of the Company computed in the manner laid down in Section 198 of the Act for the concerned financial year during her tenure as the Whole-Time Director of the Company.

- c) **Reimbursement of expenses:** Expenses incurred for travelling, board and lodging including for spouse and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and/or borne by the Company at actuals.

- d) Mrs. Komal M. Gandhi along with the other employees of the Company, be entitled to the Bonus as per the Policy of the Company and will be in addition to the aforesaid Remuneration.

- e) Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mrs. Komal M. Gandhi may be determined by the Board and / or the Nomination & Remuneration Committee of the Board.

- f) The overall remuneration payable every year to Mrs. Komal M. Gandhi by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc., as the case may be, shall be in accordance with the provision of the Section 197 of the Act read with Schedule V of the Act.

- g) She shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of the Company including provident fund, superannuation fund or annuity fund, gratuity, medical and health insurance plans etc.

- h) All payments to be made or to be credited shall be subject to such deduction and withholdings of tax or otherwise as the Company may be mandated or required to do so whether by any applicable laws, regulations or guidelines or pursuant to any contract to such effect.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mrs. Komal M. Gandhi under Section 190 of the Act.

The information required under item (iv) of third proviso of Section II of Part II of Schedule V of Companies Act, 2013 are as follows:

## A. General Information: As per Annexure-A

### B. Information about the Appointee:

- a. Background details

Mrs. Komal M. Gandhi has obtained Bachelor Degree of Commerce in Accounting and Diploma in Banking from Technical Examination Board. She has virtuous knowledge and experience of Accounting. She has been on the Board since 2017.



# NOTICE

b. Past remuneration	During the financial year ended March 31, 2023, ₹ 26 Lakhs was paid as remuneration to Mrs. Komal M. Gandhi.
c. Recognition or awards	Not Applicable
d. Job profile and her suitability	Mrs. Komal M. Gandhi is the Whole-Time Director of the Company. She is actively involved in the decision-making and management of day-to-day operations. He is mainly responsible for accounting and other matters.
e. Remuneration proposed	As proposed in explanatory statement.
f. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin)	Considering the responsibility shouldered by Mrs. Komal M. Gandhi of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and position of Whole Time Director held in similar sized Companies
g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Mrs. Komal M. Gandhi, Whole-Time Director of the Company, Mr. Miteshkumar C. Gandhi, Managing Director of the Company and Mr. Ashishkumar C. Gandhi, Whole-Time Director of the Company. They all are relatives to each other as per Act.  Mrs. Komal M. Gandhi being promoter is holding 9,33,613 equity shares of the Company.

## C. Other Information: As per Annexure B

In compliance with the provisions of Sections 196, 197 and other applicable provisions, if any, of the Act, read with Schedule V thereto and other applicable provisions, the terms of re-appointment and remuneration specified above are now being placed before the Members for their approval. Relevant documents in respect of the said item are open for inspection on all working days up to the date of the Meeting.

The Company has immensely benefited during her tenure as Whole-Time Director. The Board considers that her continued association would be of immense benefit to the Company. The Board is satisfied with the integrity, expertise, and experience (including the proficiency) of Mrs. Komal M. Gandhi who is being re-appointed at this AGM and accordingly, the Board recommends the resolution for her re-appointment as set out at Item No. 8 of the accompanying Notice for approval by the Members of the Company.

Except, Mrs. Komal M. Gandhi, being an appointee, Mr. Miteshkumar C. Gandhi Managing Director and Mr. Ashishkumar C. Gandhi, Whole-Time Director of the Company being relative, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 8 of the Notice.

## Annexure-A General Information:

a. Nature of Industry	The Company is engaged in the business of manufacturing and selling of Reactive Dyes and Dyestuff across the India and globe.
b. Date or expected date of commencement of commercial production	The commercial production have already begun by the Company.
c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
d. Financial performance based on given indicators	The same is given in the Directors Report.
e. Foreign investments or collaborations, if any	Not Applicable

# NOTICE

## Annexure-B Other Information:

a. Reasons of loss or inadequate profits	While the Company's operations are profitable, the overall managerial remuneration paid to all the executive directors in aggregate limits as specified under Section 197 read with schedule V of the Act. Hence, as a matter of abundant caution, the members are requested to consider and approve the remuneration payable to executive directors as proposed in this notice in accordance with the provisions of item (iv) of third proviso of Section II of Part II of Schedule V of Act.
b. Steps taken or proposed to be taken for improvement	The company's management is continuously looking forward in improving their product line by way of Research & Development. Every year new products are introduced which conserve energy, improve quality and satisfy the prerequisites of customers. The overall business growth also depends on overall improvement in economic conditions.
c. Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profits due to introduction of new products and increasing the installed capacity. The same will reflect improvement in the company's overall financial performance.

## Item No. 9

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of passing special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

Hence, in order to enable the Company to advance loan to Subsidiaries/ Joint Ventures /Associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by way of passing Special Resolution.

The Board of Directors recommends the resolution as set out in Item No. 9 of the accompanying notice for the approval of the Shareholders of the Company as a Special Resolution.

Except Mr. Ashishkumar Champaklal Gandhi & Mr. Miteshkumar Champaklal Gandhi along with their relatives, none of the other Directors or the Key Managerial Personnel or their relatives except to their shareholding is in any way interested or concerned, financially or otherwise in this Resolution at Item No. 9 of the Notice.

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863

## Registered Office:

Plot No. 1209, Phase III, GIDC, Vatva,  
Ahmedabad – 382445, Gujarat, India

# ANNEXURE 1 TO NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING:  
(Pursuant To Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Niren Desai	Basari Mehta	Miteshkumar Gandhi	Ashishkumar Gandhi	Komal Gandhi
Directors Identification Number (DIN)	10192300	10197176	02142361	02142344	02137805
Age	31	29	52	51	51
Qualification	Company Secretary and Bachelor of Legislative Law Bachelor of Commerce	Bachelor of Legislative Law Bachelor of Commerce	Bachelor of Engineering in Chemical Industry	Bachelor of Engineering in Electrical Industry	Bachelor of Commerce from Gujarat University and Diploma in Banking from Technical Examination Board.
Experience and Expertise	Mr. Niren Desai has more than 8 years of experience in Corporate Law, Due Diligence, Corporate Restructuring, and Consulting. He is presently employed at Ceramic Company as a Company Secretary. Prior to that, he worked as a Company Secretary for a pharmaceutical Company for about 7 years. He is a member of the Institute of Company Secretaries of India and Commerce & Law Graduate.	Mrs. Basari Mehta is a Law graduate and is undergoing Company Secretary course. She had appeared for the Final Examination. She had worked with Vodafone Idea Limited for two years as a tax assistant. She is currently associated with a CA firm as an Associate in Company law matters.	As mentioned in Explanatory Statement		
Date of first Appointment on the Board of the Company	15 <sup>th</sup> July, 2023	15 <sup>th</sup> July, 2023	15 <sup>th</sup> November, 2017	15 <sup>th</sup> November, 2017	15 <sup>th</sup> November, 2017
Shareholding in the Company	Nil		Miteshkumar Gandhi: 6,79,528 Miteshkumar Gandhi's HUF: 76,500	Ashishkumar Gandhi: 17,85,623 Ashishkumar Gandhi's HUF: 63,000	9,33,613
List of Directorship held in other companies	None		Director in Palash Colours Private Limited and in RCN Specialities Private Limited Proprietor of Arham Exports	Director in RCN Specialities Private Limited	None
Membership / Chairmanship in Committees of other companies as on date	None			None	
Relationships between Directors inter-se	None		Mr. Miteshkumar Gandhi is husband of Mrs. Komal Gandhi and Brother of Mr. Ashishkumar Gandhi	Mr. Ashishkumar Gandhi is brother of Mr. Miteshkumar Gandhi and Brother-In-Law of Mrs. Komal Gandhi	Mrs. Komal Gandhi is wife of Mr. Miteshkumar Gandhi and Sister-In-Law of Mr. Ashishkumar Gandhi



# DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 06<sup>th</sup> Annual Report together the Audited (Standalone and Consolidated) Financial Statements of your Company for the financial year ended March 31, 2023:

## FINANCIAL PERFORMANCE

The Audited Financial Statements of your Company as of March 31, 2023 have been prepared in accordance with the relevant applicable Accounting Standards, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the applicable of the Companies Act, 2013 ("Act").  
(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations	10303.38	10230.09	10303.38	10230.09
Other Income	371.39	393.12	371.39	393.12
<b>Total Revenue</b>	<b>10674.77</b>	<b>10623.21</b>	<b>10674.77</b>	<b>10623.21</b>
Earnings Before Interest, Depreciation and Amortization Expense and Taxes	600.65	564.86	600.65	564.86
Less:- A) Finance Cost	89.18	75.05	89.18	75.05
Less:- B) Depreciation and Amortization Expense	55.44	25.23	55.44	25.23
<b>Profit / (Loss) before Extra-Ordinary Items and tax</b>	<b>456.02</b>	<b>464.58</b>	<b>456.02</b>	<b>464.58</b>
Add/(Less): Extra-Ordinary Item	-	-	-	-
<b>Profit/(Loss) after Extra Ordinary Items and before tax</b>	<b>456.02</b>	<b>464.58</b>	<b>456.02</b>	<b>464.58</b>
Total Tax Expense	127.79	129.75	127.79	129.75
Share of Associate's Profit	-	-	0.45	-
<b>Profit / (Loss) After Tax</b>	<b>328.23</b>	<b>334.83</b>	<b>328.68</b>	<b>334.83</b>
Earnings Per Share	4.04	4.12	4.05	4.12
Basic / Diluted (Amount in ₹)				

### Performance Review & State of Company's Affairs:

To reach a larger customer base and raise brand awareness, one of the initiatives implicated the creation of new products and the implementation of targeted marketing campaigns. Your company also clustered on enhancing the product quality and adding new features to attract prospective consumers as well as retain old ones. Throughout the financial year, your company undertook a number of initiatives that attributed to and strengthened growth in both manufacturing and sales volumes. Your industry makes an endeavor to increase the sales of the manufactured and promoted product.

- Standalone:**

During the year under review, the Revenue from operations increased to ₹ 10,303.38 lakhs in FY 2022-23 from 10,230.09 lakhs in FY 2021-22. The Profit After Tax

(PAT) attributable to the shareholders in FY 2022-23 was ₹ 328.23 lakhs against ₹ 334.83 lakhs in FY 2021-22.

- Consolidated:**

Pursuant to the provisions of Section 129 and 134 of the Act read with Rules framed there under and pursuant to Regulation 33 of Listing Regulations, your Company has prepared consolidated financial statements of the Company and its Associate i.e. RCN Specialities Private Limited (CIN: U24290GJ2022PTC131058).

During the year under review, the Revenue from operations increased to ₹ 10,303.38 lakhs in FY 2022-23 from 10,230.09 lakhs in FY 2021-22. The Profit After Tax (PAT) attributable to the shareholders in FY 2022-23 was ₹ 328.68 lakhs against ₹ 334.83 lakhs in FY 2021-22.

Your directors are hopeful that the performance of the Company will further improve in the coming years.

# DIRECTORS' REPORT

## DETAILS OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES

During the year under review, your company has acquired 45% stake in RCN Specialities Private Limited in April 2022. The said company became an associate of your company. This acquisition was made as part of a strategic plan to increase our company's presence in the speciality chemicals market. By becoming an associate, RCN Specialities Private Limited now benefits from our company's resources and expertise, allowing for mutual growth and collaboration in the market.

## CHANGE IN NATURE OF BUSINESS

During the financial year ended March 31, 2023, there has been no change in the Company's nature of business.

## TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3)(J) OF THE COMPANIES ACT, 2013

The Board of Directors of the Company has decided not to transfer any amount to the Reserves for the year under review.

## LOANS, GUARANTEES AND INVESTMENTS

Details of loans and guarantees given, investments made and securities provided, if any, as covered under the provisions of Section 186 of the Act are disclosed in the notes to the financial statements.

## MANAGEMENT DISCUSSION & ANALYSIS

A detailed review of the operations, performance and future prospects of the Company and its businesses is given in the Management Discussion and Analysis Report, which forms part of this Report as **Annexure - E**.

The details of unpaid / unclaimed dividend is as under:

Sr. No.	Financial Year	Date of Declaration of Dividend	Dividend per Equity Share (in ₹)	Due date for transfer unclaimed / unpaid amount to IEPF	Unclaimed Amount as on March 31, 2023 (After TDS deduction)
1.	2022-23	February 23, 2023	0.65/-	March 22, 2030	24,710

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(C) of the Act the Board of Directors of the Company confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

## SHARE CAPITAL STRUCTURE OF THE COMPANY

During the year under review, there has been no change in the Capital Structure of the Company.

### a) Authorized Capital:

₹ 11,00,00,000/- (Rupees Eleven Crore Only) divided into 11,00,000 (Eleven Lakhs) Equity Shares of Rupees 10 /- each.

### b) Issued Capital, Subscribed and Paid-up Capital:

₹ 8,12,21,600/- (Rupees Eight Crore Twelve Lakhs Twenty One Thousand Six Hundred Only) divided into 81,22,160 (Eight One Lakh Twenty Two Thousand One Hundred Sixty) Equity Shares of Rupees 10 /- each.

## DIVIDEND

During the year under review, based on the Company's performance, the Directors have declared and paid interim dividend of ₹ 0.65/- Per Equity Share of Face Value of ₹ 10/- Each to those members whose names to be appeared on the register of member dated March 03, 2023. In view of declaration of the Interim dividend, your directors do not recommend any final dividend.

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under, the Company was not required to transfer the equity shares/unclaimed dividend to Investor Education and Protection Fund (IEPF) pursuant to provisions of Section 124 and 125 of the Act.

# DIRECTORS' REPORT

- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## BOARD OF DIRECTORS, BOARD & COMMITTEE MEETINGS AND KEY MANAGERIAL PERSONNEL

### • BOARD COMPOSITION

The Company has a balanced board with optimum combination of executive and non-executive directors including independent directors, which plays a crucial role in board processes and provides independent judgment on issues of strategy and performance. The board of directors of the Company consist of eminent individuals from diverse fields having experience and expertise in their respective fields. As on March 31, 2023, board comprises of 6 (six) directors out of which 3 (three) are executive directors, 3 (Three) are non-executive directors and independent directors. Independent Directors are appointed in compliance with the applicable provisions of the Act, as amended from time to time. The maximum tenure of the independent directors is in compliance with the Act.

None of the directors on the board holds the directorship in more than 20 (twenty) companies and out of them none of the directors holds the directorship in more than 10 (ten) public companies at a time, pursuant to provision of Section 165 of the Act.

The table below gives the composition of the Board and the directorships held by each of the directors of the Company at the end of Financial Year 2022-23:

Name of Director	Category	Date of Appointment	Number of Shares held in the Company
Mr. Miteshkumar C. Gandhi Managing Director (DIN: 02142361)	Promoter Executive	13/11/2017	6,79,528
Mr. Ashishkumar C. Gandhi Whole-Time Director (DIN: 02142344)	Promoter Executive	13/11/2017	17,85,623
Mrs. Komal M. Gandhi Whole-Time Director (DIN: 02137805)	Promoter Executive	13/11/2017	9,33,613
Ms. Vrusha Patel(*) Director (DIN: 07772669)	Non-Executive (Independent)	18/12/2017	-
Mr. Dhanik J. Mehta(^) Director (DIN: 08028156)	Non-Executive (Independent)	18/12/2017	-
Mr. Akhil Shah Sarabhai(π) Director (DIN: 08026138)	Non-Executive (Independent)	18/12/2017	-
Mrs. Amisha Fenil Shah(#) Director (DIN: 09411332)	Non-Executive (Independent)	11/07/2022	-

# DIRECTORS' REPORT

(\*)Ms. Vrusha Patel had tendered her resignation as a Non-Executive and Independent Director of the Company with effect from July 06, 2022.

(#)Mrs. Amisha Fenil Shah has been appointed as an Additional Director in the category of Non- Executive and Independent Director of the Company at the Board Meeting dated July 11, 2022. Subsequently, in the 05<sup>th</sup> Annual General Meeting of the Company, members have approved her regularization by passing a special resolution.

(π)Mr. Akhil Shah Sarabhai had tendered his resignation as a Non-Executive and Independent Director of the Company with effect from July 14, 2023.

(^)Mr. Dhanik Jayeshbhai Mehta had tendered his resignation as a Non-Executive and Independent Director of the Company with effect from July 15, 2023.

As on March 31, 2023, none of the Directors of the Company were related to each other except Mr. Miteshkumar Gandhi, Managing Director, Mr. Ashishkumar Gandhi, Whole-Time Director and Mrs. Komal Gandhi, Whole-Time Director who are related to each other as per the provisions of the Act.

## MEETINGS OF THE BOARD OF DIRECTORS

During the financial year ended March 31, 2023, 12 (twelve) meetings of board of directors of the Company.

The intervening gap between the Meetings was within the period prescribed under the Act.

The following meetings of the Board of Directors were held during the financial year ended March 31, 2023:

Sr. No.	Date of Board Meeting	Name of Directors						
		Miteshkumar Gandhi	Ashishkumar Gandhi	Komal Miteshkumar Gandhi	Vrusha Patel(*)	Dhanik Mehta	Akhil Shah	Amisha Fenil Shah(#)
1.	22/04/2022	Yes	Yes	Yes	Yes	Yes	Yes	
2.	12/05/2022	Yes	Yes	Yes	Yes	Yes	Yes	
3.	30/05/2022	Yes	Yes	Yes	Yes	Yes	Yes	
4.	07/07/2022	Yes	Yes	Yes		Yes	Yes	
5.	11/07/2022	Yes	Yes	Yes		Yes	Yes	
6.	20/07/2022	Yes	Yes	Yes		Yes	Yes	Yes
7.	02/09/2022	Yes	Yes	Yes		Yes	Yes	Yes
8.	12/10/2022	Yes	Yes	Yes		Yes	Yes	Yes
9.	02/11/2022	Yes	Yes	Yes		Yes	Yes	Yes
10.	10/11/2022	Yes	Yes	Yes		Yes	Yes	Yes
11.	23/02/2023	No	Yes	Yes		Yes	Yes	Yes
12.	15/03/2023	Yes	Yes	Yes		Yes	Yes	Yes

(\*)Ms. Vrusha Patel had tendered her resignation as a Non-Executive and Independent Director of the Company with effect from July 06, 2022.

(#)Mrs. Amisha Fenil Shah has been appointed as an Additional Director in the category of Non- Executive and Independent Director of the Company at the Board Meeting dated July 11, 2022. Subsequently, in the 05<sup>th</sup> Annual General Meeting of the Company, members have approved her regularization by passing a special resolution.

## CHANGE IN DIRECTORS

During the year under review, Ms. Vrusha Patel (DIN: 07772669), Non-Executive and Independent Director with effect from July 06, 2022 by tendering her resignation from the Board of the Company due to other assignment work reason and the same had intimated to Exchange as well. The Board has accepted resignation of the same at their meeting held on July 07, 2022.



# DIRECTORS' REPORT

Mrs. Amisha Fenil Shah (DIN: 09411332) was appointed as Additional Directors and designated as Non-Executive and Independent Director of your Company with effect from July 11, 2022. Further, the said appointment was regularized by way of passing special resolution at the 05th Annual General Meeting of the Company held on September 28, 2022. In the opinion of the Board, all the aforesaid Directors possess the integrity, expertise and experience (including proficiency) required for appointment as Independent Directors of the Company.

- **APPOINTMENT / RE-APPOINTMENT / RESIGNATION OF DIRECTORS:**

At the 3<sup>rd</sup> Annual General Meeting of the Company held on September 25, 2020, the shareholders had approved the re-appointment of Mr. Miteshkumar C. Gandhi (DIN: 02142361) as Managing Director, Mr. Ashishkumar C. Gandhi (DIN: 02142344) and Mrs. Komal M. Gandhi (DIN: 02137805) as Whole Time Director of the Company for further period of 3 (three) years till December 19, 2023.

Based on the recommendation of the Nomination and Remuneration Committee, the board of directors have approved the re-appointment of Mr. Miteshkumar C. Gandhi as Managing Director, Mr. Ashishkumar C. Gandhi and Mrs. Komal M. Gandhi as Whole Time Director of the Company, on fresh terms and conditions of reappointment and remuneration effective from December 20, 2023, subject to approval of the shareholders of the Company at the forthcoming AGM. Except Mr. Miteshkumar C. Gandhi, Managing Director of the Company, other directors are liable to retire by rotation. The Board recommends their re-appointment.

After the closure of the financial year, Based on the recommendation of the Nomination and Remuneration Committee. The Board has considered and approved the appointment of Mr. Niren A. Desai (DIN: 10192300) and Mrs. Basari D. Mehta (DIN: 10197176) as an Additional Directors in the category of Non-Executive and Independent Directors of the Company for a consecutive term of 5 (five) years commencing on July 15, 2023, subject to the approval of Members at the forthcoming Annual General Meeting. The Board recommends their appointment.

Mr. Akhil Sarabhai Shah (DIN: 08026138) has tendered his resignation from the position of Non-Executive and Independent Director of the Company with effect from July 14, 2023 due to his ailing health condition. He further confirmed that there is no other material reason

other than stated herein, pursuant to Regulation 30 of the Listing Regulations read with clause 7B of Part A of Schedule III of the Listing Regulations. The Board have accepted his resignation at their meeting held on July 15, 2023.

Mr. Dhanik Jayeshbhai Mehta (DIN: 08028156) has tendered his resignation from the position of Non-Executive and Independent Director of the Company with effect from July 15, 2023 due to pre-occupation of his work and other professional commitments. He further confirmed that there is no other material reason other than stated herein, pursuant to Regulation 30 of the Listing Regulations read with clause 7B of Part A of Schedule III of the Listing Regulations. The Board have accepted his resignation at their meeting held on July 15, 2023.

- **RETIREMENT BY ROTATION**

Mr. Miteshkumar C. Gandhi (DIN: 02142361) Director of the Company who is liable to retire by rotation pursuant to the provisions of Section.152(6) of the Act and offer himself for reappointment, subject to the approval of the members at the ensuing Annual General Meeting.

- **DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS**

The Company has received the necessary declarations from the independent directors of the Company in accordance with Section 149 (7) of the Act confirming that they meet the criteria of independence prescribed under the Act. All the Independent Directors have also confirmed that in terms of Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database as prescribed under the Act.

In the opinion of the board, there has been no change in the circumstances which may affect their status as independent directors and the board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150 (1) of the Act and applicable rules thereunder) to all independent directors on the board.

- **DISQUALIFICATIONS OF DIRECTORS**

During the financial year 2022-2023 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Act read with Companies (Appointment and

# DIRECTORS' REPORT

Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Act and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI letter dated June 14, 2018 and NSE circular dated June 20, 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

The Directors of the Company have made necessary disclosures, as required under various provisions of the Act.

## • KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Sections 2(51) and 203 of Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the following persons are to be Key Managerial Personnel of the company;

- a. Mr. Miteshkumar Champaklal Gandhi, Chairman and Managing Director
- b. Mr. Ashishkumar Champaklal Gandhi, Whole-Time Director
- c. Mrs. Komal Miteshkumar Gandhi, Whole-Time Director
- d. Mr. Kalusinh Chauhan, Chief Financial Officer
- e. Ms. Sona Bachani, Company Secretary

During the year under review, Ms. Himali Thakkar has resigned from the post of Company Secretary & Compliance Officer of the Company effective from April 21, 2022. The Board of Directors has appointed Ms. Sona Bachani as a Company Secretary & Compliance Officer of the Company w.e.f. October 12, 2022 who is a Key Managerial Personnel as per Section 203 of the Act. Apart from the said change, there is no other change in the Key Managerial personnel of the Company during the year under review.

## • MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on February 23, 2023 inter alia, to discuss:

- Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.

- Review the performance of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
- Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting.

## • FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

Your company has put in place a rigorous familiarization program for independent directors in an effort to give them the information, exposure, and understanding they need to carry out their duties well. The program includes thorough deployment, regular industry trend updates, site visits, pertinent training programs, information access, and frequent interactions with senior management. We work to cultivate an enlightened and involved Board that supports efficient governance and value creation by actively engaging independent directors and providing them with the necessary resources.

## • COMMITTEES OF THE BOARD

The Board receives regular communication regarding policy-related issues as well as other pertinent and important information. Your board currently has three (3) committees, namely the Audit Committee, the Nomination and Remuneration Committee, and the Stakeholder Relationship Committee, to look into various aspects for which they have been established in order to provide better corporate governance and transparency. The terms of reference of these committees are in line with Act.

### 1. AUDIT COMMITTEE

The Audit Committee of the Board of Directors was constituted with the requirement of the Section 177 of the Act and Regulation 18 of Listing Regulations.

During the year under review, seven meetings of the Audit Committee were held i.e. on May 12 2022, May 30 2022, July 20 2022, September 02 2022, November 02 2022, November 10 2022, March 15 2023. The intervening gap between two meetings did not exceed one hundred and twenty days.

# DIRECTORS' REPORT

The details of the Audit Committee meetings attended by its members during FY 2022-23 are given below:

Sr. No.	Name of Director	Category / Nature of Directorship	Number of Meetings held during the FY 2022-23		Percentage of attendance
			Held	Attended	
1.	Mr. Dhanik Mehta	Chairman, Non-Executive Independent Director	7	7	100%
2.	Mr. Akhil Sarabhai	Member, Non-Executive Independent Director	7	7	100%
3.	Ms. Vrusha Patel(*)	Member, Non-Executive Independent Director	7	2	28%
4.	Mrs. Amisha Shah(#)	Member, Non-Executive Independent Director	7	4	57%

(\*)Ms. Vrusha Patel had tendered her resignation as a Non-Executive and Independent Director of the Company with effect from July 06, 2022.

(#)Mrs. Amisha Fenil Shah has been appointed as an Additional Director in the category of Non- Executive and Independent Director of the Company at the Board Meeting dated July 11, 2022. Subsequently, in the 05th Annual General Meeting of the Company, members have approved her regularization by passing a special resolution.

The committee was further reconstituted with effect from July 11, 2022.

The Chief Financial Officer was invited to attend the audit committee meetings. The Company Secretary of the Company acts as Secretary of the Committee. The Board of Directors has taken note of and accepted the observations and recommendations made by the Audit Committee.

## 2. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee pursuant to the provisions of Regulation 19 of Listing Regulations and Section 178 of the Act.

During the year under review, five meetings of the Nomination and Remuneration Committee were held i.e. on April 22 2022, July 07 2022, July 11 2022, September 02 2022, October 12 2022.

The details of the Nomination and Remuneration Committee meetings attended by its members during FY 2022-23 are given below:

Sr. No.	Name of Director	Category / Nature of Directorship	Number of Meetings held during the FY 2022-23		Percentage of attendance
			Held	Attended	
1.	Mr. Dhanik Mehta	Chairman, Non-Executive Independent Director	5	5	100%
2.	Mr. Akhil Sarabhai	Member, Non-Executive Independent Director	5	5	100%
3.	Ms. Vrusha Patel(*)	Member, Non-Executive Independent Director	5	1	20%
4.	Mrs. Amisha Shah(#)	Member, Non-Executive Independent Director	5	2	40%

(\*)Ms. Vrusha Patel had tendered her resignation as a Non-Executive and Independent Director of the Company with effect from July 06, 2022.

(#)Mrs. Amisha Fenil Shah has been appointed as an Additional Director in the category of Non- Executive and Independent

# DIRECTORS' REPORT

*Director of the Company at the Board Meeting dated July 11, 2022. Subsequently, in the 05th Annual General Meeting of the Company, members have approved her regularization by passing a special resolution.*

The committee was further reconstituted with effect from July 11, 2022.

The Company Secretary of the Company acts as Secretary of the Committee.

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders Relationship Committee pursuant to the provisions of Regulation 20 of Listing Regulations and Section 178(3) of the Act.

During the year under review, one meeting of the Stakeholders Relationship Committee was held i.e. on February 23 2023.

The details of the Nomination and Remuneration Committee meetings attended by its members during FY 2022-23 are given below:

Sr. No.	Name of Director	Category / Nature of Directorship	Number of Meetings held during the FY 2022-23		Percentage of attendance
			Held	Attended	
1.	Mr. Dhanik Mehta	Chairman, Non-Executive Independent Director	1	1	100%
2.	Mr. Akhil Sarabhai	Member, Non-Executive Independent Director	1	1	100%
3.	Ms. Vrusha Patel(*)	Member, Non-Executive Independent Director	1	0	0%
4.	Mrs. Amisha Shah(#)	Member, Non-Executive Independent Director	1	1	100%

(\*)Ms. Vrusha Patel had tendered her resignation as a Non-Executive and Independent Director of the Company with effect from July 06, 2022.

(#)Mrs. Amisha Fenil Shah has been appointed as an Additional Director in the category of Non- Executive and Independent Director of the Company at the Board Meeting dated July 11, 2022. Subsequently, in the 05th Annual General Meeting of the Company, members have approved her regularization by passing a special resolution.

The committee was further reconstituted with effect from July 11, 2022.

The Company Secretary of the Company acts as Secretary of the Committee.

During the year under review, the Company has not received any investor complaints from its shareholders.

### CORPORATE GOVERNANCE

In line with Regulation 15(2) of the Listing Regulations, the provisions of Corporate Governance shall not apply in respect of the following class of the Companies:

- Listed entity having paid up equity share capital not exceeding ₹ 10 Crore and Net worth not exceeding ₹ 25 Crore, as on the last day of the previous financial year;
- Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2022-23.



# DIRECTORS' REPORT

## POSTAL BALLOT

During the financial year ended March 31, 2023, there are no special resolution was required to be put through postal ballot.

## DISCLOSURE UNDER RULE-5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014

Disclosure required under Section 197(12) of the Act read with Rule-5 of the Companies (Appointment and Remuneration) Rules, 2014 have been annexed as Annexure-B. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence, not applicable to the Company.

## EXTRACT OF ANNUAL RETURN

In compliance with Section 92(3) and 134(3)(a) of the Act, Annual Return is uploaded on Company's website and can be accessed at [www.mahickra.com](http://www.mahickra.com)

## AUDITORS:

### • STATUTORY AUDITOR

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s. Singhi & Co, Chartered Accountants (Firm Registration No. 302049E), were appointed as the Statutory Auditors of your Company for a term of five years beginning from the conclusion of 1st Annual General Meeting till the conclusion of 06th Annual General Meeting (AGM).

Based on the recommendation of Audit Committee, the Board of Directors has recommended the re-appointment of M/s. Singhi & Co, Chartered Accountants (Firm Registration No. 302049E) as the Statutory Auditors of the Company pursuant to Section 139 of the Act, from the conclusion of the 6th Annual General Meeting of the Company till the conclusion of the 11th Annual General Meeting subject to the approval of the Members in the ensuing Annual General Meeting.

As per the provisions of Section 139 of the Act, they have given their consent for the appointment and confirmed that the appointment, if made, would be in accordance with the conditions as prescribed under the Act and applicable Rules. The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors'

Report is enclosed with the financial statements forming part of this Annual Report.

## EXPLANATIONS OR COMMENTS BY BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

### Audit Qualification:

There is a qualification in audit report issued by the Statutory Auditors of the Company pertaining to, the Company has filed an application with Authorised dealer seeking permission to "write off" Export Receivable of ₹ 57.29 lakhs from one of the party. However, such receivable is neither "written off" nor "Provision for Doubtful recovery" is done in the books for the same. The trade receivable and profit (loss) for the year is overstated / understated to the extent of such outstanding.

### Reply by Management for above qualification raised by Auditor:

Based on the information provided, the Company has taken necessary steps to write off an export receivable. We had filed necessary documents with the Authorised dealer, but the dealer has not yet initiated or completed the process of writing off the Export Receivable of one party. As a result, the Company is unable to write it off from its books. However, once the dealer completes the process, we will proceed with the write-off.

### • SECRETARIAL AUDITOR

Mr. Nayan P. Pitroda, a Practicing Company Secretary, (ACS No. 58743, C. P. No. 23912) Ahmedabad, was appointed as the Secretarial Auditor of the Company for FY 2022-23 as per Section 204 of the Act, and rules made thereunder.

The Secretarial Audit Report submitted in the prescribed form MR - 3 is attached as **Annexure - D** and forms part of this report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

### • INTERNAL AUDITOR

M/s. Piyush J. Shah & Co., Chartered Accountants (FRN: 121172W), Ahmedabad are Internal Auditors of the Company. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditors report their findings on the internal audit of the Company, to the Audit Committee on a

# DIRECTORS' REPORT

periodic basis. The scope of internal audit is approved by the Audit Committee.

## DISCLOSURE, AS TO WHETHER MAINTENANCE OF COST RECORDS:

The Board of Directors not appointed Cost Auditor owing to non-applicability to appoint Cost Auditor in your Company specified by the Central Government under sub-section (1) of section 148 of the Act, is required by the Company and accordingly such accounts and records are not made and maintained.

## REPORTING OF FRAUD

In pursuance to the provisions of Section 143(12) of the Act, the Statutory Auditors had not reported any incident of frauds (other than those which are reportable to the Central Government) to the Board of Directors of the Company during the financial year under review.

## INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

Internal governance structures, which offer checks and balances, have been formally established by your company and include policies, procedures, and guidelines. Internal controls have been maintained by the company in a proper and sufficient manner. In terms of the efficacy and effectiveness of operations, the trustworthiness of financial controls, and adherence to relevant laws and regulations, the system is intended to offer a reasonable level of assurance. When it comes to making financial decisions, the organization is well-structured, and the policy guidelines are clearly defined and well-documented. The overall control mechanism for ensuring that the necessary information related to all operations is reported and is accurate includes structured management information and reporting systems as well as an extensive budgetary control process for all major operational activities.

In order to promote an independent mindset, the company has hired a group of qualified professionals known as internal auditors. These auditors receive proper support from the finance department and carry out operational and system audits in accordance with an audit plan that has been approved by the Audit Committee. As part of their duties, internal auditors evaluate and assess the sufficiency and effectiveness of internal control measures as well as their adherence to policies, plans, and legal requirements. At Audit Committee meetings, the internal audit reports are examined, and management starts taking appropriate action on the recommendations. The Audit Committee also interacts with Internal Auditors and Statutory Auditors of the Company to ensure compliance of various observations made during the conduct of audits and adequacy of various controls.

## COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the company has complied with the provisions of Secretarial Standards issued by Institute of Company Secretaries of India.

## DEPOSITS

During the year under review, The Company has not accepted any deposit during the financial year under review.

There was unsecured loan accepted by the Company from its Directors during the year under review under sub-rule 1 clause (C) sub-clause (viii) of rule 2 of Companies (Acceptance of Deposits) Rules 2014.

## RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the FY 2022-23 with related parties were in compliance with applicable provisions of the Act and on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel, or other designated persons which may have potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. The Company has developed a Related Party Transaction Policy for the purpose of identification and monitoring of such transaction. The Related Party Transaction policy is placed on the Company's website i.e. [www.mahickra.com](http://www.mahickra.com).

Particulars of Contracts or arrangements with Related Parties referred to in section 188 (1) of the Act, are disclosed in Form AOC-2 as **Annexure - C** to this Report.

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

There was no application made and proceeding initiated / pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company during the year under review. As on the date of this report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.

# DIRECTORS' REPORT

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

It is not applicable to the Company during the year under review, as there exist no Loans/Borrowing from any Bank, Financial Institution, etc. in any form or nature.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the financial year of the Company to which the financial statements relate and the date of signing of this report.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

During the year under review, there are no significant and material orders passed by the regulators/courts or tribunals that could impact the going concern status and operations of the Company in future.

## CORPORATE SOCIAL RESPONSIBILITY ('CSR')

The provisions of the Corporate Social Responsibility as contained under section 135 of the Act are not applicable on the Company.

## COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Nomination and Remuneration Policy was developed by the Board of Directors of your Company in order to ensure compliance with Section 178 of the Act, as well as any other applicable laws. The Company's policy on Directors' appointment and remuneration and other matters as provided in Section 178(3) of the Act is available on the website of the Company at and has been displayed on website [www.mahickra.com](http://www.mahickra.com).

## ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and Listing Regulations the Board has carried out an annual evaluation of its own performance, the performance of the Directors individually as well as the evaluation of the working of its Committees.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and performance of the Chairman was evaluated, taking into account the views of other directors.

## PROHIBITION OF INSIDER TRADING

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("SEBI PIT Regulations"), the Company has adopted the revised "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" ("the Code"). The Code is applicable to promoters, all directors, designated persons and connected persons and their immediate relatives, who are expected to have access to unpublished price sensitive information relating to the Company. The Company has also formulated a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations.

## RISK MANAGEMENT

The process of identifying, evaluating, and prioritizing risks is known as risk management. This is preceded by coherent initiatives aimed at minimizing, oversee, and ameliorate (or control) the probability and/or impact of unfortunate events or to maximize opportunities for achievement. The Company has established a thorough risk assessment and minimization process, which is periodically reviewed by the Board. These processes are examined to make sure executive management effectively manages risk using a strictly delineated framework. The company has identified the major risks, and processes and measures for mitigating those risks have been developed in areas like business, project execution, events, financial, human, environmental, and statutory compliance.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every women employee working with your Company. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has a zero tolerance for sexual harassment at workplace and, therefore, has in place a policy on prevention of sexual harassment at workplace. The said policy is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint outstanding / received from any employee during the financial year 2022-

# DIRECTORS' REPORT

23 and hence, no complaint is pending as on March 31, 2023 for redressal.

## VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In compliance with Section 177 of the Act and Regulation 22 of the Listing Regulations, your company has implemented a whistleblower policy and created the necessary vigil mechanism for directors and employees to enable the reporting of sincere concerns about improper or unethical behavior without fear of vengeance.

Your company's vigil mechanism offers sufficient protections against victimization of directors and employees who use it, as well as, in exceptional circumstances, direct access to the chairman of the audit committee. Access to the Chairman of the Audit Committee has never been denied to anyone. The aforementioned policy can be found on your company's website at [www.mahickra.com](http://www.mahickra.com).

## HEALTH, SAFETY AND ENVIRONMENT PROTECTION

Your Company's Health and Safety Policy commits to comply with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

## WEBSITE

In compliance with Regulation 46 of Listing Regulations, your company maintains a fully functional website with the domain name [www.mahickra.com](http://www.mahickra.com). The website serves as a comprehensive source of basic information about our company.

## 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 Act read with Rule 8(3) of The Companies (Accounts) Rules, 2014, is attached as **Annexure – A** to this Report.

## GREEN INITIATIVES

The Notice of the AGM and the Annual Report 2022–23 are being sent only electronically to Members whose email addresses are registered with the company or depositories in accordance with Regulation 36 of the Listing Regulations. Members may take note that the Notice and Annual Report for 2022–2023 will also be accessible at the website of the Company i.e. [www.mahickra.com](http://www.mahickra.com).

## CAUTIONARY STATEMENT

The annual report including those which relate to the directors' report, management discussion and analysis report may contain certain statements on the Company's intent expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein.

## APPRECIATION AND ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication, and commitment. The Board places on record its appreciation for the support and co-operation, your Company has been receiving from its suppliers, retailers, dealers and others associated with the Company. The Directors also take this opportunity to thank all its clients, vendors, banks, Government and Regulatory Authorities for their continued support.

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863



# Annexure-A to this Directors' Report

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo (Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

PARTICULARS	REMARKS
<b>A) CONSERVATION OF ENERGY:</b>	
➤ the steps taken or impact on conservation of energy;	Your Company is taking due care when using electricity in the office and its units.
➤ the steps taken by the company for utilizing alternate sources of energy;	Your Company usually takes care for optimum utilization of energy. No capital investment on energy conservation equipment made during the financial year.
➤ the capital investment on energy conservation equipments;	
<b>B) TECHNOLOGY ABSORPTION:</b>	
➤ the efforts made towards technology absorption;	The products of your company are developed using internal know-how; no outside technology is used for operational tasks. As a result, technological immersion is not necessary. This strategy ensures that all products are developed in accordance with our specific standards and gives your company total control over the production process. By continuously innovating and adapting to shifting customer demands, your Company can maintain a competitive edge in the market by relying on internal know-how.
➤ the benefits derived like product improvement, cost reduction, product development or import substitution;	
➤ in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not applicable since 5 years period is over	
➤ the expenditure incurred on Research and Development	Your Company has not incurred any expenditure on Research and Development for the Financial year 2022-23
<b>C) FOREIGN EXCHANGE EARNINGS AND OUTGO:</b>	
➤ The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	<b>Foreign Exchange Earnings (Rs. In Lakhs):</b>  For FY 2022-23: 7157.55 For FY 2021-22: 7173.05  <b>Foreign Exchange Outgo (Rs. In Lakhs):</b>  For FY 2022-23: 1097.09 For FY 2021-22: 773.46

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863

# Annexure-B to this Directors' Report

## Statement of Particulars as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the remuneration of each Director and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year ended March 31, 2023:

Sr. No.	Director/KMP	Designation	Remuneration	Ratio to median remuneration of employees
1.	Mr. Mitesh Gandhi	Managing Director	2,600,000	9:1
2.	Mr. Ashish Gandhi	Whole Time Director	31,85,000	10:1
3.	Mrs. Komal Gandhi	Whole Time Director	2,600,000	9:1
4.	Mr. Kalusinh Chauhan	Chief Financial Officer	432,575	1:1
5.	Ms. Himali Thakkar(*)	Company Secretary	21,450	Not Applicable
6.	Ms. Sona Bachani(#)	Company Secretary	153,000	Not Applicable

(\*)Ms. Himali Thakkar has resigned from the post of Company Secretary & Compliance Officer of the Company effective from April 21, 2022.

(#)The Board of Directors has appointed Ms. Sona Bachani as a Company Secretary & Compliance Officer of the Company w.e.f. October 12, 2022

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year ended March 31, 2023:

Sr. No.	Director/KMP	Designation	Ratio to median remuneration of employees
1.	Mr. Mitesh Gandhi	Managing Director	14.29%
2.	Mr. Ashish Gandhi	Whole Time Director	8.89%
3.	Mrs. Komal Gandhi	Whole Time Director	0.00%
4.	Mr. Kalusinh Chauhan	Chief Financial Officer	10.00%
5.	Ms. Himali Thakkar(*)	Company Secretary	Not Applicable
6.	Ms. Sona Bachani(#)	Company Secretary	Not Applicable

(\*)Ms. Himali Thakkar has resigned from the post of Company Secretary & Compliance Officer of the Company effective from April 21, 2022.

(#)The Board of Directors has appointed Ms. Sona Bachani as a Company Secretary & Compliance Officer of the Company w.e.f. October 12, 2022

The other directors are Non-Executive Directors and they are not receiving remuneration and sitting fees during the financial year ended March 31, 2023.

3. The percentage increase in the median remuneration of employees in the financial year ended March 31, 2023: 3.07%
4. **The number of permanent employees on the rolls of Company:** There are 17 permanent employees on the rolls of the Company.

# Annexure-B to this Directors' Report

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

The average increase in salaries of employees other than managerial personnel in financial year 2022-2023 was 2.41% percentage increase in the managerial remuneration for the year was 8.89%. Annual increment in the salary is based on the different grades, industry pattern, qualification, expertise and experience of individual employee. As such the annual increment in remuneration is as per the terms of appointment and is in conformity with the remuneration policy of the Company.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The remuneration paid to Key Managerial Personnel is as per the remuneration policy of the Company.

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863

# Annexure-C To This Directors' Report

## FORM NO. 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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

All contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Act are at arm's length basis.

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

All the transactions were entered by the Company in ordinary course of business and were in arm's length basis:

Name of the Related Party	Nature of Relationship	Nature of Contract/ Agreement/ Transactions	Salient terms & Conditions if any,	Date of Approval by the board, if any	Amount paid as advances if any	Amount of Transaction
Not Applicable						

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863



# Annexure-D to this Directors' Report

FORM NO. MR. 3

## SECRETARIAL AUDIT REPORT

(For the Financial Year Ended March 31, 2023)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**MAHICKRA CHEMICALS LIMITED**  
[CIN L24304GJ2017PLC099781]  
Plot No. 1209, Phase 3 GIDC Vatva,  
Ahmedabad - 382445

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MAHICKRA CHEMICALS LIMITED [CIN L24304GJ2017PLC099781] (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (not applicable to the company during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the company during the audit period);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the audit period);

# Annexure-D To This Directors' Report

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

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

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

Board take decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

**I further report that** during the audit period, except for the below events, there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

- a. The shareholders at their Annual General Meeting held on 28<sup>th</sup> September, 2022, have approved:
  - i. Related Party Transaction under Section 188 of the Companies Act, 2013 in the Ordinary course of the business at arm's length price, amounting to ₹ 150 Crores by passing Ordinary Resolution.
  - ii. Inter-Corporate Loans, Investments, Guarantee or Security and Acquisition under Section 186 of the Companies Act, 2013 by passing Special Resolution to be made up to ₹ 100 Crores.
  - iii. To Grant Loans and Advances under section 185 of the Companies Act, 2013 to the entity, not exceeding ₹ 100 Crores, M/s. RCN Specialties Private Limited being the entity wherein Director/s is /are interested by passing Special Resolution.

**For, Pitroda Nayan & Co.,  
Company Secretaries**

**Nayan P. Pitroda**  
Proprietor  
Mem.No.: 58473  
C.P.No.: 23912  
UDIN.: A058473E000618142  
P/R No.: 1925/2022

**Date: 15/07/2023  
Place: Ahmedabad**

Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

# Annexure to Secretarial Audit Report

To,  
The Members,  
**MAHICKRA CHEMICALS LIMITED**  
**[CIN L24304GJ2017PLC099781]**  
Plot No. 1209, Phase 3 GIDC Vatva,  
Ahmedabad - 382445

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

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

**For, Pitroda Nayan & Co.,**  
**Company Secretaries**

**Nayan P. Pitroda**  
Proprietor  
Mem.No.: 58473  
C.P.No.: 23912  
UDIN.: A058473E000618142  
P/R No.: 1925/2022

Date: 15/07/2023  
Place: Ahmedabad

# Annexure-E To This Directors' Report

## MANAGEMENT DISCUSSION AND ANALYSIS

### GLOBAL ECONOMY:

Despite the significant effects of both the COVID-19 pandemic and the conflict between Russia and Ukraine, the global economy is showing signs of a steady recovery. Supply chain interruptions are decreasing as economies gradually recover, and the war-affected energy and food markets are beginning to stabilize. The global inflation have projected at 7.00 % in 2023, which is set to fall from 8.7 % in the 2022 due to interest rates raised by the central banks and lower commodity prices. Looking to the global economy, the baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to perceive a slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023.

In spite of the challenges, there are indications of improvement, with inflation expected to drop to 7.0% in 2023, providing some solace and assisting in the stabilization of the economy. The IMF predicts 2.8% global growth in 2023, maintaining its cautious optimism. While trade disputes and geopolitical tensions still exist, efforts to address supply chain disruptions, implement suitable monetary policies, and foster international cooperation can help the economy grow steadily and recover in the years to come.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

In synopsis, the global economy is anticipated to grow modestly in 2023, with a number of factors affecting the outlook. There is hope that pent-up demand in many economies and a slow decline in inflation will stimulate growth despite the difficulties posed by inflationary pressures and geopolitical tensions. Furthermore, governments and central banks can aid in the recovery of the world economy by implementing supportive fiscal and monetary policies. Additionally, technological developments and the advancements of society can be extremely important in fostering innovation and productivity, which will help to further accelerate economic growth in the years to come. Downside risks are still a concern, but policymakers are navigating the difficulties presented by inflation and other geopolitical uncertainties with skill. Having put in place proactive and successful strategies, the global economy is on its way to a brighter economic future.

### INDIAN ECONOMY:

India's economy remains one of the fastest growing in the world. The Indian economy is depicting resilience despite the

effects of the global downturn, and overall economic growth is still strong. One of the main drivers of India's economic growth is the country's strong domestic consumption, which is supported by a sizable and expanding middle class. A major factor in maintaining the nation's economic momentum has also been the government's initiatives to encourage ease of doing business and draw foreign investment. According to the National Statistical Office's (NSO) second advance estimate, India's GDP growth is projected to be 7% in FY 2022–23 compared to 9.1% in FY 2021–22. The bilateral trade also reached a record high of USD 447.46 billion with 6.03% growth during FY 2022–23, surpassing the previous high of USD 422.00 billion in FY 2021–22, despite the weakening external demand.

In 2023, the domestic economy will continue to grow and pick up speed. According to the IMF, India will have a GDP per capita of USD 2,600 in 2023, which will cause a rise in household consumption. Due to inflationary pressures, the economic growth rate is predicted to fall to 5.9% in FY 2023–24. In order to combat inflationary pressures, the Reserve Bank of India (RBI) raised the repo rate by 250 basis points in FY 2022–2023. As a result, from 6.95% in March 2022 to 5.66% in March 2023, India's CPI inflation rate decreased. India has a large growth window, and the IMF projects that in FY 2024–25, the Indian economy will expand at a 6.3% annual rate.

A favorable domestic policy environment, various dynamic government reforms like increased capital spending, the production-linked incentives (PLI) scheme, and Atmanirbhar Bharat, a focus on domestic manufacturing and infrastructure development, strong domestic demand, export growth, technology-enabled development, and energy transition, among others, will spur growth in FY 2023–24. Additionally, the Indian government's efforts to attract foreign direct investment (FDI) and promote ease of doing business are expected to further boost economic growth. Furthermore, the country's young and growing population, coupled with increasing urbanization and rising middle-class consumption, will contribute to the expansion of various sectors in the Indian economy.

### INDUSTRY TRENDS:

The market for dyes and pigments was valued at USD 38.2 billion in 2022, and from 2023 to 2030, it is anticipated to grow at a CAGR of 5.3%. The demand for these products is expected to rise across a number of application industries, including plastics, paints and coatings, textiles, and construction. The use of cutting-edge technologies for the effective removal of hazardous pollutants during the manufacturing process is a



# Annexure-E To This Directors' Report

proactive effort by major producers to improve their products. With the swings in the cost of raw materials like benzene, manufacturers are likely to experience a range in production costs. Both physical stores and online retailing help to create a broad distribution network in the market.

With a market share of over 62% in terms of revenue in 2022, the textiles segment dominated. The industry segment for printing ink is anticipated to experience the fastest CAGR between 2023 and 2030. The demand for dyes in printing ink applications is anticipated to increase as the digital printing market expands. India and China, two major producers of dyes, are likely to offer favorable opportunities for printing ink applications throughout the Asia Pacific region. In order to achieve the desired color and density, dyes are used in inks. In terms of color and density per unit of mass, dyes are superior to pigments. The dye-based inks may react chemically with other ingredients. In conjunction with optical brighteners and other additives, they produce prints that are superior to pigment-based inks. The demand for products in the printing ink application segment is expected to increase as a result of these factors.

(Source: <https://www.grandviewresearch.com/industry-analysis/dyes-and-pigments-market>)

## OUTLOOK:

An integration of micro and macro factors appear to be cruising the Mahickra Chemicals outlook in a positive direction. The Company's multi-site prowess, manufacturing emphasis, procurement strategies, and balanced approach to enhancing profitability are all contributing to its growing market share. Your company is developing cutting-edge, environmentally responsible products. These groundbreaking goods are anticipated to draw in a larger customer base and support the company's overall expansion. Furthermore, your company's dedication to sustainability is in line with the rising demand for environmentally friendly solutions around the world, positioning the business for market success over the long term. By outstripping Rs. 100 Crore in revenue generation from exports in the following years, your company is establishing a high standard.

Mahickra Chemicals is well positioned to deliver profitable growth in the future thanks to its strong market position, a diverse product line, extensive end-user industries, and a dynamic distribution network with top-tier clients. In addition, we have a strong commitment to research and development, consistently innovating and launching new products to meet the changing needs of its clients. As a result of its commitment to staying ahead of market trends, the company is able to

maintain its competitiveness and draw in new business opportunities.

## COMPANY OVERVIEW:

Mahickra Chemicals Limited is a leading domestic dyestuff manufacturer in Ahmedabad, with production facilities strategically located in the chemical industrial zone. This strategic location offers easy access to the Common Effluent Treatment Plant, fostering innovation and knowledge sharing. The company's proximity to the treatment plant allows for efficient disposal of waste and adherence to environmental regulations. Additionally, being in close proximity to other chemical manufacturers promotes collaboration and the exchange of ideas within the industry.

Aside from lowering costs and improving supply chain management, the company's extensive industry knowledge and expertise enable efficient transportation of raw materials and finished goods. Your Company is renowned for producing premium dyestuffs and seeks to improve its position in the market. We promote initiatives for waste management and environmentally friendly manufacturing techniques and place a high priority on quality control measures, customer satisfaction, and sustainability. We make investments in new product development, R&D, and partnerships with important stakeholders.

Mahickra Chemicals Limited benefits from the rising demand for environmentally friendly and sustainable dye solutions by making investments in cutting-edge technology, which improves its standing in the market. These efforts have not only allowed us to stay ahead of its competitors but also contribute to a greener and more sustainable future. Our commitment towards innovation and sustainability has earned it recognition as a leader in the industry, attracting environmentally conscious customers and forging long-term partnerships.



# Annexure-E To This Directors' Report

## FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

We ended the financial year with a stable performance despite the setbacks we experienced because of various macro events, such as the geopolitical situation, inflation across economies, and restrictive monetary policies. In light of the challenging external environment, the company aggressively pursued cost reduction initiatives and implemented a pricing strategy with a balanced approach to maintain volume growth.

For new alliances, the company had acquired a 45% stake in RCN Specialities Private Limited. The goal of this acquisition was to boost the company's stance in the specialty chemicals sector and broaden its product line. Through the strategic alliance with RCN Specialities Private Limited, the company would gain access to new markets and technological know-how, spurring further growth and innovation.

The Company operated in one segment area i.e. Manufacturing of Dyes and Dyestuffs. During the financial year, our gross

domestic sales amounted to ₹ 3,145.84 lakhs compared to ₹ 3,057.04 lakhs of the previous year. Exports increased from ₹ 7,157.55 lakhs of the previous year to ₹ 7,173.05 lakhs for the financial year 2022-23.

### Standalone

The Company's Revenue from operations increased to ₹ 10,303.38 lakhs from ₹ 10,230.09 lakhs of the previous year. EBITDA, which was ₹ 600.65 lakhs compared to ₹ 564.85 lakhs for the same period in the previous year. The Profit After Tax (PAT) attributable to the shareholders was ₹ 328.23 lakhs against ₹ 334.83 lakhs in last year.

### Consolidated

The Company's Revenue from operations increased to ₹ 10,303.38 lakhs from 10,230.09 lakhs of the previous year. EBITDA, which was ₹ 600.65 lakhs compared to ₹ 564.85 lakhs for the same period in the previous year. The Profit After Tax (PAT) attributable to the shareholders was ₹ 328.68 lakhs against ₹ 334.83 lakhs in last year.

(₹ in Lacs Except EPS)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Operations	10303.38	10230.09	10303.38	10230.09
Other Income	371.39	393.12	371.39	393.12
<b>Total Revenue</b>	<b>10674.77</b>	<b>10623.21</b>	<b>10674.77</b>	<b>10623.21</b>
Earnings Before Interest, Depreciation and Amortization Expense and Taxes	600.65	564.86	600.65	564.86
<b>Profit/(Loss) after Extra Ordinary Items and before tax</b>	<b>456.02</b>	<b>464.58</b>	<b>456.02</b>	<b>464.58</b>
Total Tax Expense	127.79	129.75	127.79	129.75
Share of Associate's Profit	-	-	0.45	-
<b>Profit / (Loss) After Tax</b>	<b>328.23</b>	<b>334.83</b>	<b>328.68</b>	<b>334.83</b>

## KEY FINANCIAL RATIOS:

Ratios	FY 2022-23	FY 2022-22
Current Ratio	1.91	1.76
Debt-Equity Ratio	0.99	0.34
<b>Debt-Service Coverage Ratio</b>	<b>4.70</b>	<b>4.01</b>
Return on Equity	0.11	0.11
<b>Inventory Turnover Ratio</b>	<b>5.65</b>	<b>5.86</b>
Debtors Turnover Ratio	2.75	2.69
Creditors Turnover Ratio	4.11	3.77
Net Profit Ratio	3.19	4.54
Return on Capital Employed	15.39	16.50
<b>Return on Investment</b>	<b>11.24</b>	<b>11.26</b>

# Annexure-E To This Directors' Report

## SCOT ANALYSIS:

Strength	Challenges
<ul style="list-style-type: none"><li>• Presence of a large and diverse customer base, with both domestic and international markets.</li><li>• Strong expertise and technological advancements in dyestuff manufacturing.</li><li>• Availability of abundant natural resources required for the production of dyes.</li><li>• Well-established infrastructure and transportation networks in India.</li><li>• Competitive prices due to lower labor and manufacturing costs compared to other countries.</li><li>• Government support through policies and initiatives promoting the chemical industry.</li></ul>	<ul style="list-style-type: none"><li>• Environmental concerns related to the disposal of chemical waste from dye manufacturing.</li><li>• Lack of stringent regulations and monitoring mechanisms regarding pollution control.</li><li>• Dependence on imported raw materials for certain specialized dyes.</li><li>• Limited research and development efforts compared to global competitors.</li><li>• Need for continuous investments in technology to keep up with changing market demands.</li><li>• Disruptions in the supply chain due to transportation issues or geopolitical tensions.</li></ul>
Opportunities	Threats
<ul style="list-style-type: none"><li>• Increasing demand for dyes and dyestuffs in textile, printing, and packaging industries.</li><li>• Growing preference for eco-friendly and sustainable dyes, creating a niche market.</li><li>• Expansion of the Indian textile industry, which is a major consumer of dyes.</li><li>• Potential to tap into the global demand for Indian traditional textiles and dyes.</li><li>• Collaborations with international companies for technology transfer and joint ventures.</li><li>• Investment in research and development to create innovative and high-performance dyes.</li></ul>	<ul style="list-style-type: none"><li>• Intense competition from established global players in the dyes and dyestuff market.</li><li>• Fluctuating raw material prices, which may impact the cost of production.</li><li>• Increasing awareness and regulations regarding environmental pollution.</li><li>• Potential disruptions in global trade and supply chain due to political or economic factors.</li><li>• Volatility in the exchange rate, affecting the competitiveness of exports.</li></ul>

## RISK AND CONCERNS:

The economic and commercial environment is rapidly changing. Due to the complexity of the global market, a highly effective and intricate supply chain configuration is required. The Audit Committee and the Board of Directors periodically review the Company's risk management policy. By evaluating the threats and opportunities that will have an impact on the goals set for the Company as a whole, the Policy is reviewed periodically. The Policy's goal is to provide a categorization of risk into threats, along with information on their causes, effects, treatments, and control measures. In order to reduce risks related to environmental protection and operational safety, all manufacturing sites' pertinent parameters are examined as part of the risk management policy. Regarding emissions, wastewater and waste disposal, your Company complies with the respective laws. All manufacturing facilities continued to place a high priority on increasing workplace safety. In addition to this, the Company has a business continuity plan that offers a framework, instructions, and operational concept to help businesses continue and/or quickly restore their crucial business functions in the event that normal business operations are disrupted.

# Annexure-E To This Directors' Report

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company possesses robust internal control systems and top tier processes that align with its size and operational scope. Our internal control procedures, which include internal financial controls, ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. We have set up a statutory compliance management system to ensure compliance with various applicable laws.

The internal control systems are built on a solid foundation of good governance, clearly defined systems, processes, and policies, risk assessment, a watchful control function, communication and monitoring, and an independent internal audit function. The internal control is supplemented by effective internal audit being carried out by an external firm of chartered accountants. The Internal Auditor's team carries out extensive audits throughout the year in all areas. The Internal Risk and Control function also evaluates organizational risk along with controls required for mitigating those risks. The control activities continue to incorporate, among others, continuous monitoring, routine reporting, checks and balances, purchase policies, authorization and delegation procedures, audits including compliance audits, which are periodically reviewed by the Audit Committee

The Audit Committee of Directors regularly reviews the findings of the Internal Auditors and effective steps to implement the suggestions/observations of the Auditors are taken and monitored regularly. The performance of the Internal Audit department is also reviewed by the Board and improvements advised. Your Company is fully geared to implement any statutory recommendation, which may be made in this regard.

## HUMAN RESOURCES:

Your Company values its human resources highly and treats its employees with respect and dignity at all times, viewing them as its most important asset. The business has been successful in imbuing a healthy balance of youth and experience in its team, enabling a comprehensive approach to a variety of situations. We focus on employee fulfillment, stretch, and development has translated into a highly motivated and skilled workforce that consistently delivers exceptional results. To ensure that they can continue to satisfy our customers' shifting needs and preferences, we will support our staff in helping them understand our customer-focused corporate culture and service quality standards.

## CAUTIONARY STATEMENT:

The Company's goals, forecasts, expectations, and other information are included in the Management Discussion and Analysis sections, some of which may be deemed forward-looking statements under relevant laws and regulations. The statements made in this management discussion and analysis report may not be exactly what is implied or expressed. Numerous uncontrollable internal and external factors have an impact on the company's operations. Consequently, even though the expectations are supported by reasonable hypotheses, the actual outcomes could significantly diverge from what was predicted or indicated. The Company disclaims any duty to revise any publicly available forward-looking statements to reflect any new knowledge, unanticipated events, or other circumstances.

For & on behalf of the Board of Directors  
**Mahickra Chemicals Limited**

Date: July 15, 2023  
Place: Ahmedabad

**Miteshkumar Gandhi**  
Managing Director  
DIN: 00243783

**Ashishkumar Gandhi**  
Whole-Time Director  
DIN: 05262863



# Independent Auditor's Report

To  
The Members of  
**MAHICKRA CHEMICALS LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

We have audited the Standalone Financial Statements of MAHICKRA CHEMICALS LIMITED ("the Company"), which comprises the Balance Sheet as at **31<sup>st</sup> March, 2023**, and the Statement of Profit and Loss, Cash Flow Statement and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and its Profit and its Cash Flows for the year ended on that date ***except for the matter stated in Basis of Qualified Opinion paragraph below***

### Basis for Qualified Opinion

1. **Company has filed an application with Authorised dealer seeking permission to "write off" Export Receivable of ₹ 57.29 lakhs from one of the party. However, such receivable is neither "written off" nor "Provision for Doubtful recovery" is done in the books for the same. The trade receivable and profit (loss) for the year is overstated / understated to the extent of such outstanding.**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we

have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statement.

### 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 except for the matters described in "**Basis for Qualified Opinion**" section. We have determined that there are no other key audit matters to communicate in our report.

### Responsibility of Management and Those Charged with the 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, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

# Independent Auditor's Report

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with As 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

# Independent Auditor's Report

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our reports express an unmodified opinion on the adequacy and reporting 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 which would impact its Financial Position.

ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. The Company is not required to transfer any amounts to the Investors Education and Protection Fund.

iv. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under

# Independent Auditor's Report

sub-clause (i) and (ii) contain any material mis-statement.

- v. The dividend declared or paid during the year by the company are in compliance with section 123 of the Companies Act, 2013.
- vi. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the company to its director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not

prescribed other details under Section 197 of the Act which are required to be commented upon by us.

For, **SINGHI & CO.**  
**Chartered Accountants**  
**FRN NO: 302049E**

**SUNIL C BOHARA**  
**Partner**  
**Membership No. 103395**  
**UDIN: 23103395BGXTNH6875**

**Ahmedabad, 15<sup>th</sup> May 2023**

# Annexure “A”

to the Independent Auditor’s Report

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

1. In respect of the Company’s Property Plant & Equipment:

- (a) The Company has not provided proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment and hence we are unable to comment upon same.
- (b) The Company does not any intangible assets and accordingly, the requirements under paragraph 3(i)(a)(B) of the Companies (Auditor’s Report) Order, 2020 (“the Order”) are not applicable to the Company.
- (c) As explained to us, Property Plant & Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (d) The title deeds of immovable properties as disclosed in Note 9 on Fixed Assets to the Financial Statements are held in the name of Company.
- (e) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
- (f) No proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2. In respect of Company’s inventories:

- (a) The inventory has not been physically verified by the management during the year. Accordingly, we cannot comment on material discrepancies existing, if any.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from banks and/or financial institutions, on the basis of security of current assets. The quarterly returns/statements filed by

the Company with such banks and/or financial institutions are in agreement with the books of account of the Company.

- 3. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of Clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013 in respect of Loans, Investments, guarantees and security.
- 5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions with regards to deposits are not applicable to the Company.
- 6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- 7. (a) According to the records of the Company, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees’ state insurance, income-tax, duty of customs and Cess to the extent applicable and any other statutory dues have been regularly deposited with the appropriate authorities.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services tax (GST), provident fund, employees’ state insurance, income-tax, duty of customs and Cess were in arrears as on 31<sup>st</sup> of March, 2023 for a period of more than six months from the date they became payable.
  - (c) There are no dues with respect to provident fund, employees’ state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.



# Annexure “A”

to the independent auditor's report

8. We have not come across any transaction(s) which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions, Banks and Debentures Holders. Also the Company has not taken any further loan from Financial Institutions or from the government and has not issued any debentures.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution government or any government authority.
  - (c) The Company has prima facie utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
  - (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis aggregating to ₹ 92.86 Lakhs for long-term purposes
  - (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, associates or joint ventures as defined under the Act.
  - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as defined under the Act.
10. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised monies by way of initial public offer or further public offer (including debt instrument) during the year under review. Therefore, reporting under clause (x)(a) of the paragraph 3 of the order is not applicable.
11. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of share during the year under review. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
12. (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or 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 upto the date of this report.
  - (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
13. The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
14. According to information and explanation given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
15. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.
16. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
17. The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the Provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

# Annexure “A”

to the independent auditor's report

18. The Company has not incurred cash losses in the current and the immediately preceding financial year.
19. There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
20. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's 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 cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state

that our reporting is based on the facts up to 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.

21. The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For, **SINGHI & CO.**  
Chartered Accountants  
FRN NO: 302049E

**SUNIL C BOHARA**  
Partner  
Membership No. 103395  
UDIN: 23103395BGXTNH6875

Ahmedabad, 15<sup>th</sup> May 2023

# Annexure “B”

to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under “Report on Other Legal and regulatory requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of **MAHICKRA CHEMICALS LIMITED** (“the Company”) as of 31<sup>st</sup> March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the 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 Standalone Financial Statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

# Annexure “B”

to the independent auditor's report

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, 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, **SINGHI & CO.**  
Chartered Accountants  
FRN NO: 302049E

**SUNIL C BOHARA**  
Partner  
Membership No. 103395  
UDIN: 23103395BGXTNH6875

Ahmedabad, 15<sup>th</sup> May 2023

# Standalone Balance Sheet

as at 31<sup>st</sup> March 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	Note No	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	812.22	812.22
(b) Reserves and Surplus	2	2,436.98	2,162.55
(c) Money Received against Share Warrants		-	-
<b>(2) Share Application Money Pending Allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term Borrowings	3	96.69	113.08
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	4	20.12	20.12
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	5	911.76	889.41
(b) Trade Payables	6	2,029.90	2,367.41
(c) Other Current Liabilities	7	4.41	4.57
(d) Short-term Provisions	8	147.30	147.21
<b>Total</b>		<b>6,459.37</b>	<b>6,516.56</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment & Intangible assets			
(i) Property, Plant & Equipments	9	448.43	167.87
(ii) Intangible assets		-	-
(iii) Capital work-in-progress	10	42.76	293.43
(iv) Intangible assets under development		-	-
(b) Non-Current Investments	11	4.50	-
(c) Deferred Tax Assets (Net)	12	6.04	4.36
(d) Long Term Loans and Advances		-	-
(e) Other Non Current Assets	13	39.80	39.60
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	14	1,898.34	1,746.36
(c) Trade Receivables	15	3,675.63	3,809.83
(d) Cash and Cash Equivalents	16	4.74	4.27
(e) Short-term Loans and Advances	17	0.38	0.20
(f) Other Current Assets	18	338.75	450.65
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS</b>	27		
<b>Total</b>		<b>6,459.37</b>	<b>6,516.56</b>

For and on behalf of  
**SINGHI & CO.**  
Chartered Accountants  
FRN : 302049E

**SUNIL C BOHARA**  
Partner  
M. No.103395  
UDIN:- 23103395BGXTNH6875

Ahmedabad, 15th May, 2023

For and on behalf of the Board of Directors

**ASHISH GANDHI**  
Wholetime Director  
DIN No:- 02142344

**CS SONA BACHANI**  
Company Secretary

Ahmedabad, 15th May, 2023

**MITESH GANDHI**  
Managing Director  
DIN No :- 02142361

**KALUSINH CHAUHAN**  
Chief Financial Officer



# Standalone of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	Note No	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Income:</b>			
<b>I Revenue from Operations</b>	19	10,303.38	10,230.09
<b>II Other Income</b>	20	371.39	393.12
<b>III Total Income (I + II)</b>		<b>10,674.77</b>	<b>10,623.21</b>
<b>IV Expenses:</b>			
<b>Cost of Materials Consumed</b>	21	9,066.70	8,929.96
<b>Changes in Inventories of Finished Goods, Work In Progress &amp; Stock in Trade</b>	22	(180.02)	(85.96)
Employee Benefit Expense	23	138.50	129.18
Finance Cost	24	89.18	75.05
Depreciation and Amortization Expenses	9	55.44	25.23
Other Expenses	25	1,048.95	1,085.17
<b>Total Expenses</b>		<b>10,218.75</b>	<b>10,158.63</b>
<b>V Profit Before Exceptional and Extraordinary Items &amp; Tax (III-IV)</b>		<b>456.02</b>	<b>464.58</b>
<b>VI Exceptional Items</b>		-	-
<b>VII Profit / (Loss) before Extraordinary Items and Tax (V-VI)</b>		<b>456.02</b>	<b>464.58</b>
<b>VIII Extraordinary Items</b>		-	-
<b>IX Profit Before Tax (VII - VIII)</b>		<b>456.02</b>	<b>464.58</b>
<b>X Tax Expense:</b>			
(1) Current tax		129.84	132.38
(2) Deferred Tax Liabilities / (Assets)		(1.68)	(2.63)
(3) Excess / Short Provision of Earlier year		(0.36)	-
<b>XI Share of Associate's Profit</b>		0.45	-
<b>XII Profit / (Loss) from the period from Continuing Operations (IX-X)</b>		<b>328.23</b>	<b>334.83</b>
<b>XIII Balance Brought Forward</b>		1,222.82	887.99
<b>XIV Balance Carried Forward</b>		1551.05	1,222.82
<b>XV Earning per Equity Share:</b>			
<b>Basic &amp; Diluted</b>	26	<b>4.04</b>	<b>4.12</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS</b>	27		

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

FRN : 302049E

**SUNIL C BOHARA**

Partner

M. No.103395

UDIN:- 23103395BGXTNH6875

Ahmedabad, 15th May, 2023

For and on behalf of the Board of Directors

**ASHISH GANDHI**

Wholtime Director

DIN No:- 02142344

**CS SONA BACHANI**

Company Secretary

Ahmedabad, 15th May, 2023

**MITESH GANDHI**

Managing Director

DIN No :- 02142361

**KALUSINH CHAUHAN**

Chief Financial Officer

# Standalone Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit After Taxes & Extraordinary Items	328.23	334.83
<b>Adjustments for :</b>		
Provision For Tax	129.48	129.74
Depreciation	55.44	25.23
Interest & Financial Charges Paid	89.18	75.05
	<b>602.33</b>	<b>564.85</b>
Less : Non Operating Incomes	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>602.33</b>	<b>564.85</b>
<b>Adjustments for :</b>		
Increase/Decrease In Inventories	(151.98)	(263.84)
Increase/Decrease In Trade Receivables	134.20	(422.88)
Increase/Decrease In Deferred Tax Assets	(1.68)	(2.63)
Increase/Decrease In Short Term Loans & Advances	(0.18)	-
Increase/Decrease In Other Current Assets	111.90	59.04
Increase/Decrease In Long Term Provisions	-	5.29
Increase/Decrease In Deferred Tax Liability	-	-
Increase/Decrease In Trade Payables	(337.51)	501.92
Increase/Decrease In Other Current Liabilities & Provisions	(0.08)	11.69
<b>Cash Generated From Operations</b>	<b>356.99</b>	<b>453.43</b>
<b>Net Income Tax Paid / (Net of Refunds)</b>	<b>129.48</b>	<b>129.74</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>227.52</b>	<b>323.69</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed Assets Purchased / Transferred / WIP	(86.34)	(134.66)
Sale of Fixed Assets	-	-
Increase/Decrease In Other Non Current Investment	(4.50)	-
Increase/Decrease In Other Non Current Assets	(0.20)	(9.27)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(91.04)</b>	<b>(143.93)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Share Capital	-	-
Proceeds From Security Premium	-	-
Proceeds From Long Term Borrowings	(16.39)	29.18
Proceeds From Working Capital Loans	22.35	(83.44)
Outflow of Dividend	(52.79)	(52.79)
Interest & Financial Charges	(89.18)	(75.05)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(136.01)</b>	<b>(182.11)</b>
<b>Net Increase / Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>0.47</b>	<b>(2.35)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>4.27</b>	<b>6.62</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>4.74</b>	<b>4.27</b>

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

FRN : 302049E

**SUNIL C BOHARA**

Partner

M. No.103395

UDIN:- 23103395BGXTNH6875

Ahmedabad, 15th May, 2023

For and on behalf of the Board of Directors

**ASHISH GANDHI**

Wholtime Director

DIN No:- 02142344

**CS SONA BACHANI**

Company Secretary

Ahmedabad, 15th May, 2023

**MITESH GANDHI**

Managing Director

DIN No :- 02142361

**KALUSINH CHAUHAN**

Chief Financial Officer

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 1 Share Capital

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Authorised Share Capital :</b>		
<b>Equity Share Capital</b>	1,100.00	1,100.00
1,10,00,000 Equity Shares of ` 10/- each		
(Last year : 1,10,00,000 Equity Shares of Rs 10/- each)		
<b>Issued, Subscribed &amp; Paid Share Capital</b>		
81,22,160 Equity Shares of ` 10/- each	812.22	812.22
(Last year : 81,22,160 Equity Shares of ` 10/- each)		
<b>Total</b>	<b>812.22</b>	<b>812.22</b>

### 1(A) Reconciliation of the number of Equity Shares Outstanding at the beginning & at the end of year.

Particulars	As at 31 <sup>st</sup> March 2023 Number	As at 31 <sup>st</sup> March 2022 Number
Shares outstanding at the beginning of the year	81,22,160	81,22,160
Add : Shares issued during the year	-	-
Add : Shares issued under Preferential Allotment	-	-
<b>Shares outstanding at the end of the year</b>	<b>81,22,160</b>	<b>81,22,160</b>

### 1(B) Details of Shareholders Holding more than 5% of Shares

Particulars	As at 31 <sup>st</sup> March 2023	
	Number	% of Shareholding
Ashishkumar Champaklal Gandhi	17,85,623	21.98%
Gandhi Komal Mitesh	9,33,613	11.49%
Mitesh Champaklal Gandhi	6,79,528	8.37%
<b>Number of Shares</b>	<b>33,98,764</b>	<b>41.84%</b>

### 1(B) Details of Shareholders Holding more than 5% of Shares

Particulars	As at 31 <sup>st</sup> March 2022	
	Number	% of Shareholding
Ashishkumar Champaklal Gandhi	17,69,123	21.78%
Gandhi Komal Mitesh	9,24,613	11.38%
Mitesh Champaklal Gandhi	6,27,028	7.72%
<b>Number of Shares</b>	<b>33,20,764</b>	<b>40.89%</b>

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## Shareholding of Promoters

### 1(C) Share held by the Promoter at the end of the year

Particulars	No of Shares	% of total Shares	As at 31 <sup>st</sup> March 2023 % Change during the year
<b>Name of Promoters</b>			
Ashishkumar Champaklal Gandhi	17,85,623	21.98%	0.20%
Gandhi Komal Mitesh	9,33,613	11.49%	0.11%
Mitesh Champaklal Gandhi	6,79,528	8.37%	0.65%
Champakbhai K Gandhi HUF	42,000	0.52%	0.09%
Ashishkumar Champaklal Gandhi HUF	63,000	0.78%	0.20%
Mitesh Champaklal Gandhi	76,500	0.94%	0.11%
Champaklal Kachralal Gandhi	2,27,499	2.80%	0.00%
Jayantilal Sakrachand Shah	16,534	0.20%	0.00%
Sulochana Arvind Kotadia	25,000	0.31%	0.00%
Anitaben Ashishkumar Gandhi	2,22,355	2.74%	0.18%
Romil Miteshkumar Gandhi	63,000	0.78%	0.00%
Chintan Ashish Gandhi	99,000	1.22%	0.17%
Nimit Miteshkumar Gandhi	75,000	0.92%	0.00%
<b>Number of Shares</b>	<b>43,08,652</b>	<b>53.05%</b>	<b>1.71%</b>

### 1(C) Share held by the Promoter at the end of the year

Particulars	No of Shares	% of total Shares	As at 31 <sup>st</sup> March 2022 % Change during the year
<b>Name of Promoters</b>			
Ashishkumar Champaklal Gandhi	17,69,123	21.78%	0.15%
Gandhi Komal Mitesh	9,24,613	11.38%	0.30%
Mitesh Champaklal Gandhi	6,27,028	7.72%	0.41%
Champakbhai K Gandhi HUF	34,500	0.42%	0.02%
Ashishkumar Champaklal Gandhi HUF	46,500	0.57%	0.04%
Mitesh Champaklal Gandhi	67,500	0.83%	0.18%
Champaklal Kachralal Gandhi	2,27,499	2.80%	0.02%
Jayantilal Sakrachand Shah	16,534	0.20%	0.00%
Sulochana Arvind Kotadia	25,000	0.31%	0.00%
Anitaben Ashishkumar Gandhi	2,07,400	2.55%	0.11%
Romil Miteshkumar Gandhi	63,000	0.78%	0.09%
Chintan Ashish Gandhi	85,500	1.05%	0.11%
Nimit Miteshkumar Gandhi	75,000	0.92%	0.09%
<b>Number of Shares</b>	<b>41,69,197</b>	<b>51.33%</b>	<b>1.51%</b>

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 2 Reserves and Surplus

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Reserves and Surplus</b>		
<b>Security Premium</b>		
Opening Balance	1,038.62	1,038.62
Add:- Security Premium received During the Year	-	-
	<b>1,038.62</b>	<b>1,038.62</b>
<b>Effect on Depreciation As per Company Act 2013</b>	(1.48)	(0.47)
	<b>1,037.14</b>	<b>1,038.15</b>
<b>Surplus from profit and loss account</b>		
Opening Balance	1,124.40	842.37
Profit/loss during the year	328.23	334.83
Less:- Interim Dividend on Equity Share	52.79	52.79
	<b>1,399.84</b>	<b>1,124.40</b>
<b>Total</b>	<b>2,436.98</b>	<b>2,162.55</b>

## 3 Long-Term Borrowings

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>a Secured Loans - From Banks - Covid Loan</b>		
i Working Capital Term Loan from SBI (Under GECL-1.0 Ext.)	82.28	89.56
ii Working Capital Term Loan from SBI (Under GECL-1.0)	-	23.52
<b>b Unsecured Loan</b>		
Ashishkumar Champaklal Gandhi	14.40	-
<b>Total</b>	<b>96.69</b>	<b>113.08</b>

Security disclosure for the outstanding term loan borrowings as on 31 March 2023: ( Refer Notes Point No.15 of SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS

## 4 Long Term Provisions

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>a Provision for Employee Benefits</b>		
i Provision For Gratuity	20.12	20.12
<b>Total</b>	<b>20.12</b>	<b>20.12</b>



# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 5 Short Term Borrowings

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>a Loan Repayable on demand</b>		
i Cash Credit with State Bank of India	278.78	829.41
ii EPC/OD from State Bank of India - 41134174072	602.39	-
iii EPC from State Bank of India - 38739927875	(0.00)	(0.00)
iv Current Maturity for Long term borrowings	30.59	60.00
<b>Total</b>	<b>911.76</b>	<b>889.41</b>

Security disclosure for the outstanding short term borrowings as on 31 March 2023: ( Refer Notes Point No.15 of SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS

## 6 Trade Payables

Particulars	As at 31 <sup>st</sup> March 2023				
	₹ Less than 1 Years	₹ 1 -2 Years	₹ 2 - 3 Years	₹ More than 3 Years	₹ Total
i Due to Micro, Small & Medium Enterprise					
MSME -Trade Payables for Expenses	6.02	-	-	-	6.02
Disputed Dues MSME- Trade Payable for Exps	-	-	-	-	-
MSME Trade Payables for Goods	49.80	-	-	-	49.80
Disputed Dues MSME- Trade Payable for Goods	-	-	-	-	-
ii Due to Creditor other than Micro ,Small & Medium Enterprise					
Trade Payables for Expenses	161.82	-	-	-	161.82
Disputed Dues - Trade Payable for Exps	-	-	-	-	-
Trade Payables for Goods	1,812.26	-	-	-	1,812.26
Disputed Dues - Trade Payable for Goods	-	-	-	-	-
<b>Total</b>	<b>2,029.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,029.90</b>

Particulars	As at 31 <sup>st</sup> March 2022				
	₹ Less than 1 Years	₹ 1 -2 Years	₹ 2 - 3 Years	₹ More than 3 Years	₹ Total
<b>i Due to Micro, Small &amp; Medium Enterprise</b>					
MSME -Trade Payables for Expenses	17.98	-	-	-	17.98
Disputed Dues MSME- Trade Payable for Exps	-	-	-	-	-
MSME Trade Payables for Goods	416.21	-	-	-	416.21
Disputed Dues MSME- Trade Payable for Goods	-	-	-	-	-

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	As at 31 <sup>st</sup> March 2022				
	₹	₹	₹	₹	₹
	Less than 1 Years	1 -2 Years	2 - 3 Years	More than 3 Years	Total
ii Due to Creditor other than Micro ,Small & Medium Enterprise	-				-
Trade Payables for Expenses	246.89	0.25	-	-	247.14
Disputed Dues - Trade Payable for Exps	-	-	-	-	-
Trade Payables for Goods	1,686.04	0.03	-	-	1,686.08
Disputed Dues - Trade Payable for Goods	-	-			-
<b>Total</b>	<b>2,367.13</b>	<b>0.28</b>	<b>-</b>	<b>-</b>	<b>2,367.41</b>

## 7 Other Current Liabilities

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Other Statutory Liabilities	4.41	4.57
<b>Total</b>	<b>4.41</b>	<b>4.57</b>

## 8 Short-Term Provisions

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Provision for Employee Benefits	12.03	9.46
ii <b>Provision for Expenses &amp; Others</b>	<b>135.27</b>	<b>137.76</b>
<b>Total</b>	<b>147.30</b>	<b>147.21</b>

## 9 Property , Plant & Equipment & Intangible assets

Particulars	Property , Plant & Equipment & Intangible assets							Total
	Buildings	Furniture and Fittings	Plant and Machinery	Office Equipment	Motor Vehicles	Computer and Data processing units	Electrical Installations and Equipment	
Gross Carrying amount as at 1 <sup>st</sup> April,2022	73.94	24.35	169.83	13.80	43.18	1.55	3.11	329.75
Additions	300.92	-	35.45	0.65	-	-	-	337.01
Disposals/Transfer	-	-	-	-	-	-	-	-
Transfer to stock in trade	-	-	-	-	-	-	-	-
Gross Carrying amount as at 31 <sup>st</sup> March,2023	374.86	24.35	205.28	14.45	43.18	1.55	3.11	666.76
Accumulated Depreciation as at 1 <sup>st</sup> April,2022	35.45	6.34	92.18	8.34	17.97	1.02	0.57	161.88
Depreciation charge for the year	26.01	4.64	13.78	2.29	7.74	0.33	0.66	55.44

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	Property , Plant & Equipment & Intangible assets							Total
	Buildings	Furniture and Fittings	Plant and Machinery	Office Equipment	Motor Vehicles	Computer and Data processing units	Electrical Installations and Equipment	
Effect on Depreciation as per Companies Act, 2013	-	-	0.29	0.71	-	-	-	1.01
Disposals	-	-	-	-	-	-	-	-
Accumulated Depreciation as at 31 <sup>st</sup> March, 2023	61.46	10.98	106.25	11.34	25.71	1.35	1.23	218.33
Net Carrying Amount as at 31 <sup>st</sup> March, 2023	313.39	13.37	99.02	3.11	17.46	0.19	1.88	448.43
Net Carrying Amount as at 1 <sup>st</sup> April, 2022	38.49	18.01	77.65	5.46	25.20	0.52	2.53	167.87

Particulars	Property , Plant & Equipment & Intangible assets							Total
	Buildings	Furniture and Fittings	Plant and Machinery	Office Equipment	Motor Vehicles	Computer and Data processing units	Electrical Installations and Equipment	
Gross Carrying amount as at 1 <sup>st</sup> April, 2021	53.58	2.33	148.66	7.14	19.98	0.84	-	232.53
Additions	20.36	22.02	21.18	6.66	23.20	0.70	3.11	97.22
Disposals/Transfer	-	-	-	-	-	-	-	-
Transfer to stock in trade	-	-	-	-	-	-	-	-
Gross Carrying amount as at 31 <sup>st</sup> March, 2022	73.94	24.35	169.83	13.80	43.18	1.55	3.11	329.75
Accumulated Depreciation as at 1 <sup>st</sup> April, 2021	33.15	1.86	81.86	5.58	13.84	0.35	-	136.65
Depreciation charge for the year	2.31	4.48	10.32	2.76	4.13	0.67	0.57	25.23
Effect on Depreciation as per Companies Act, 2013	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated Depreciation as at 31 <sup>st</sup> March, 2022	35.45	6.34	92.18	8.34	17.97	1.02	0.57	161.88
Net Carrying Amount as at 31 <sup>st</sup> March, 2022	38.49	18.01	77.65	5.46	25.20	0.52	2.53	167.87
Net Carrying Amount as at 1 <sup>st</sup> April, 2021	20.43	0.47	66.79	1.56	6.13	0.49	-	95.88

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 10 Capital Work In Progress (CWIP)

Particulars	As At 31 <sup>st</sup> March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 Years	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	42.76	-	-	-	42.76
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>42.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.76</b>

Particulars	As At 31 <sup>st</sup> March 2022				
	Amount in CWIP for a period of				Total
	Less than 1 Years	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	62.85	18.07	212.51	-	293.43
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>62.85</b>	<b>18.07</b>	<b>212.51</b>	<b>-</b>	<b>293.43</b>

## 11 Non Current Investment

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
Long Term Trade Investment (At Cost)		
Investment in Equity Instrument		
i Investment in Associates		
Share Investment in RCN Specialities Pvt Ltd ( 45,000 Equity Shares of ₹ 10/- each)	4.50	-
<b>Total</b>	<b>4.50</b>	<b>-</b>

## 12 Deferred Tax Assets

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Depreciation	(1.16)	(1.24)
ii Provision for Gratuity	7.20	5.60
<b>Total</b>	<b>6.04</b>	<b>4.36</b>

## 13 Other Non Current Assets

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Security Deposits	39.80	39.60
<b>Total</b>	<b>39.80</b>	<b>39.60</b>

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 14 Inventories

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Stock of Raw Materials	712.74	740.78
ii Stock of Work In Progress	1,180.51	949.85
iii Stock of Finished Goods	5.09	55.73
<b>Total</b>	<b>1,898.34</b>	<b>1,746.36</b>

## 15 Trade Receivables

Particulars	As at 31 <sup>st</sup> March 2023				
	₹ Less than 6 months	₹ 6 months - 1 years	₹ 1 - 2 years	₹ 2 - 3 years	₹ More than 3 years
Undisputed Trade Receivables- Considered Goods	2,158.29	401.30	521.38	256.04	338.62
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-
<b>Total</b>	<b>2,158.29</b>	<b>401.30</b>	<b>521.38</b>	<b>256.04</b>	<b>338.62</b>

Particulars	As at 31 <sup>st</sup> March 2022				
	₹ Less than 6 months	₹ 6 months - 1 years	₹ 1 - 2 years	₹ 2 - 3 years	₹ More than 3 years
Undisputed Trade Receivables- Considered Goods	2,106.52	476.89	752.53	249.85	224.04
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-
<b>Total</b>	<b>2,106.52</b>	<b>476.89</b>	<b>752.53</b>	<b>249.85</b>	<b>224.04</b>



# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
<b>UNSECURED</b>		
Considered Good	3,363.82	3,809.83
Considered Doubtful	311.81	-
Less: Provision for Doubtful Trade Receivables	-	-
Others (Considered Good)	-	-
<b>TOTAL UNSECURED (A)</b>	<b>3,675.63</b>	<b>3,809.83</b>
<b>SECURED</b>		
Considered Good	-	-
Considered Doubtful	-	-
Less: Provision for Doubtful Trade Receivables	-	-
Others (Considered Good)	-	-
<b>TOTAL SECURED (B)</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRADE RECEIVABLES (A + B)</b>	<b>3,675.63</b>	<b>3,809.83</b>

## 16 Cash and Cash Equivalents

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Balances with Scheduled Bank in EEFC & Dividend Account	0.36	0.13
ii Cash on hand	4.38	4.14
<b>Total</b>	<b>4.74</b>	<b>4.27</b>

## 17 Short Term Loans & Advances

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Advances to Employee	0.38	0.20
<b>Total</b>	<b>0.38</b>	<b>0.20</b>

## 18 Other Current Assets

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
	₹	₹
i Balance with Revenue Authorities	326.72	442.36
ii Prepaid Expenses	12.04	8.29
<b>Total</b>	<b>338.75</b>	<b>450.65</b>

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 19 Revenue from Operations (for Companies other than a finance company)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Sales of Goods - Domestic	3,145.84	3,057.04
Sales of Goods - Export	7,157.55	7,173.05
<b>Total</b>	<b>10,303.38</b>	<b>10,230.09</b>

## 20 Other Income

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Export Incentive - Duty Drawback	184.51	181.55
Foreign Exchange Gain / Loss (Realised & Unrealised)	134.99	117.86
Interest Income	1.82	13.96
RODTAP Licence Income	48.86	79.75
Discount Received	1.21	-
<b>Total</b>	<b>371.39</b>	<b>393.12</b>

## 21 Cost of Materials Consumed

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
<b>Opening Stock</b>	<b>740.78</b>	<b>562.90</b>
Add :- Import Purchases	1,097.09	773.46
Add :- Domestic Purchases	7,941.56	8,334.38
	<b>9,779.44</b>	<b>9,670.74</b>
Less :- Closing Stock	712.74	740.78
<b>Total</b>	<b>9,066.70</b>	<b>8,929.96</b>

## 22 Change In Inventories

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Closing Stock of Finished Goods & WIP & Stock in Trade	1,185.60	1,005.58
Opening Stock of Finished Goods & WIP & Stock in Trade	1,005.58	919.62
<b>Total</b>	<b>(180.02)</b>	<b>(85.96)</b>

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 23 Employee Benefit Expenses

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Salary Expenses	12.19	12.25
Wages Expenses	30.98	29.07
Director Remuneration	83.85	78.00
Director Sitting Fees	0.80	0.80
Bonus Expenses	3.34	3.16
Contribution to Fund	1.57	0.61
Provision For Gratuity	5.76	5.29
<b>Total</b>	<b>138.50</b>	<b>129.18</b>

## 24 Financial Cost

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Bank Charges	25.41	17.29
Bank Interest	60.74	44.88
Bank Loan Processing Charges	0.23	12.87
Interest on late payment to suppliers	1.65	0.01
Interest on Unsecured Loan	1.15	-
<b>Total</b>	<b>89.18</b>	<b>75.05</b>

## 25 Other Expenses

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Advertisement Expenses	33.80	0.46
Audit Fees	1.15	1.15
Bad Debts	-	72.23
Marketing & Business Promotion Expenses	1.83	8.30
C & F Charges	406.92	551.27
Commission Expenses	6.06	-
Conveyance Expenses	5.16	3.22
Custom Duty on Import Purchase	46.96	25.81
Donation	0.04	0.35
Duty Draw Back Expenses	6.78	-
Effluent Pipe Line Project Expenses	0.10	2.88
ETP Additional Booking Charges	30.00	-
Effluent Treatment Expenses	7.93	7.84
Electricity Expenses	32.33	34.41

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
Exhibition Expenses	11.01	0.74
Export Certification Charges	3.03	9.88
Foreign Commission Expenses	42.82	-
Foreign Travelling Expenses	4.12	6.42
Freight Outward Expenses	36.75	21.56
Factory Expenses	1.78	1.09
Freight Inward Charges	0.90	2.43
Fuel Expenses	169.41	191.90
GIDC Expenses	0.03	1.08
GST Audit Expenses	-	0.02
Gain/Loss of Sales of MEIS Liscence	14.32	-
Insurance Expenses	26.80	28.82
Interest on Duties & Taxes	5.70	2.50
Jobwork Charges	2.85	-
ISO Expenses	0.29	1.52
Issuer & Processing Fees	0.38	0.38
Kasar & Vatav	-	0.17
Laboratory Testing Charges	6.94	6.66
Membership Fees	0.40	0.23
Municipal Tax	1.29	0.90
Office Expenses	3.14	6.85
Packing & Loading Expenses	41.26	25.59
Pollution Consent Fees	0.05	0.25
Postage & Courier Expenses	3.84	4.70
Printing & Stationery Expenses	5.05	4.32
Prior Period Expenses	1.24	-
Professional & Consulting Charges	21.66	30.69
Professional Tax	0.03	0.02
Rent Expenses	3.00	2.40
Repairs & Maintenance Expenses	24.91	10.18
ROC Charges	0.16	0.12
Security Guard Service Charges	5.76	5.28
Software Expenses	0.26	0.17
SWM Expenses	0.12	0.11
Staff Welfare Exps	2.77	-
Telephone Expenses	0.35	0.49
Travelling Expenses	24.18	6.29
GST & Vat Exps	1.58	1.86
Water Charges	1.76	1.61
<b>Total</b>	<b>1,048.95</b>	<b>1,085.17</b>

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 26 Earning Per Share

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
	₹	₹
<b>Basic &amp; Diluted</b>		
Profit After Tax available for Equity Share Holders	328.23	334.83
Weighted Average No. of Equity Shares	8,122,160	8,122,160
Earning Per Share- Basic	4.04	4.12
Earning Per Share- Diluted	4.04	4.12

## NOTE NO. 27

### COMPANY OVERVIEW

MAHICKRA CHEMICAL LIMITED referred to as "The Company" is incorporated on 13<sup>th</sup> November, 2017 under Companies Act 2013 by conversion from Partnership firm to Unlisted Public Limited Company under Companies Act, 2013 and Certificate to that effect, was issued on 13<sup>th</sup> November, 2017 by Registrar of Companies, Gujarat State at Ahmedabad. It is engaged in Manufacturing & Trading of Dyes & Chemicals.

### A- SIGNIFICANT ACCOUNTING POLICY

#### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:-

The accounting principles and policies, recognized as appropriate for measurement and reporting of the financial performance and financial position are follow on accrual basis except as otherwise disclosed, using historical costs (i.e., not taking in to account changing money values impact of inflation) are applied in the preparation of the financial statements and those which are considered materials to the affaires are suitably disclosed. The statement on significant Accounting Standards in respect of which were no materials transactions or where compliance with such standard is not mandatory for the Company. The Financial Statements are in accordance with the requirements of the Companies Act, 2013.

#### 2. USE OF ESTIMATES:-

The preparation of Financial Statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues & expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known /materialized.

#### 3. REVENUE RECOGNITION :-

##### Sale of Goods:

Sales are recognized as and when the risk and reward of ownership is passed to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding duties or taxes collected on behalf of the government.

Revenue is reduced for rebates and loyalty points granted for purchase and are stated net of returns and discounts wherever applicable.



# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

## Other Income:

Incomes in respect of Duty Drawback in respect of exports made during the year are accounted on accrual basis.

Income in respect of MEIS Income & RODTAP Income in respect of Exports made during the year is accounted on accrual basis.

Discount & Kasar-Vatav income from a financial asset is recognized when it is possible that the economic benefits will flow to the Company and the amount of the income can be measured reliably.

Subsidy income is received from Exhibition outside India on a time basis.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 4. INVENTORIES:-

Inventories of Finished Goods are measured at lower of cost and net realizable value whereas inventory of raw materials and stock in process are measured at cost.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make it sale.

## 5. CASH & CASH EQUIVALENTS:-

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## 6. CASH FLOW :-

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

## 7. EVENTS OCCURRING AFTER THE BALANCE SHEET :-

Material events occurring after the balance sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.

## 8. PROPERTY, PLANT AND EQUIPMENT:-

Property, Plant and Equipment are recorded at cost of acquisition with construction cost if any. They are stated at historical cost less accumulated depreciation, amortization and impairment loss, if any. Cost includes expenditures that is directly attributable to the acquisition of the items.

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

## 9. DEPRECIATION ON PROPERTY, PLANT AND EQUIPMENT:-

Depreciation on tangible fixed assets has been provided on the WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions/deletion during the year is charged on actual basis from the date of such addition/deletion.

## 10. CAPITAL WORK-IN-PROGRESS (CWIP)

Project under construction wherein assets are not ready for use in the manner as identified asset for a period of time in exchange for consideration.

## 11. EMPLOYEE BENEFIT COSTS:-

### Defined Contribution Plan:

Employee benefits in the form of contribution to Superannuation Fund, Provident Fund managed by Government Authorities, Employees State Insurance Corporation are considered as defined contribution plan and the same is charged to the statement of profit and loss for the year when the contributions to the respective funds are due.

### Defined Benefits Plan:

Retirement benefits in the form of gratuity, post-retirement medical benefit and death & disability benefit are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation using the projected unit credit method, as at the date of the balance sheet. Actuarial Gains / losses, if any, are recognized in the Statement of Profit & Loss.

Employee Benefit, in the form of contribution to Provident Fund managed by a Trust set up by the Company, is charged to statement of profit and loss as and when the contribution is due. The deficit, if any, in the accumulated corpus of the trust is recognized in the statement of profit and loss based on actuarial valuation.

## 12. BORROWING COST:-

Borrowing costs that are directly attributable to the acquisition, construction or production of fixed assets are considered as part of the cost of that asset till the date of the acquisition. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## 13. EARNING PER SHARE:-

Basic earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potentially equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

## 14. IMPAIRMENT OF ASSETS:-

The Management periodically assesses, using external and internal sources whether there is an indication that an assets may be impaired. If an asset is impaired, the Company recognizes impairment loss as the excess of carrying amount of the assets over recoverable amount.

## 15. TAXES ON INCOME:-

Tax Expenses for the year, i.e. Current Tax is included in determining the net profit for the year. A provision is made for the current tax liability computed in accordance with relevant tax rates and tax laws.

## 16. DEFERRED TAX-ASSET/LIABILITY:-

The Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India is applicable to the Company. The Deferred Tax is recognized for all timing differences being the difference between "taxable Income" and "accounting Income" that originate in one period, and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred Tax Assets are recognized to the extent reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each balance sheet date.

## 17. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:-

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities, if any, are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## 18. OPERATING SEGMENT:-

The Company operates in a single segment i.e. manufacturing and trading of Reactive Dyes, Therefore, separate segment report is not prepared.

## 19. FOREIGN CURRENCY TRANSACTION:-

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Differences arising out of foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

Monetary items outstanding at the balance sheet date and denominated in foreign currencies are recorded at the exchange rate prevailing at the end of the year. Differences arising there from are recognized in the Statement of Profit and Loss.

## B- NOTES TO ACCOUNTS:-

1. The Schedules referred to in the Balance Sheet and Profit and Loss Account forms an integral part of the accounts.
2. Balances of "Trade Receivables", "Trade Payables", "Secured Loans", "Unsecured Loans" and "Loans and Advances" are subject to confirmations and reconciliations.
3. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

4. The Company has not given Loan and has complied with the provisions of Section 186 of the Companies Act, 2013 and the Rules made there under.
5. Previous year figures have been regrouped / rearranged wherever it founds necessary.
6. Employees whose remuneration in aggregate was not less than ₹ 102.00 Lacs per annum and part of the whose remuneration was not less than ₹ 8.5 Lacs per month is Nil.

7. The Details of Payment to Statutory auditors are as under. (₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Audit Fees	1.15/-	1.15/-
<b>Total...</b>	<b>1.15/-</b>	<b>1.15/-</b>

8. The Details of Director Remuneration are as under. (₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Ashish Gandhi	31.85/-	29.25/-
Komal Gandhi	26.00/-	26.00/-
Mitesh Gandhi	26.00/-	22.75/-
<b>Total...</b>	<b>83.85/-</b>	<b>78.00/-</b>

9. Value of Imports calculates on CIF Basis. (₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Value of Import As Per CIF Basis	1,097.09/-	773.46/-

10. Expenditure in Foreign Currency (₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Foreign Certification Expenses	10.29/-	9.02/-
Foreign Commission Expenses	42.82/-	-
Travelling Exps	4.12/-	6.42/-
Other Exps	--	0.38/-

11. Earning in Foreign Currency in FOB (₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Earning in Foreign Currency (FOB)	6838.69/-	6724.89/-

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

## 12. EARNING PER EQUITY SHARE

### 13. Basics & Diluted

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Profit after Tax available for Equity Shareholders	328.23/-	334.83/-
No. of Equity Share of ₹ 10 each at the Beginning	81,22,160	81,22,160
No. of Equity Shares of ₹ 10 each at the end of the period	81,22,160	81,22,160
Weight an Average of Share	81,22,160	81,22,160
Earning Per Share – Basic	4.04	4.12
Earning Per Share – Diluted	4.04	4.12

EPS is calculated as per Accounting Standard-20 considering the splitting of Equity Shares and accordingly EPS is adjusted for the comparative previous year presented.

## 14. MICRO, SMALL AND MEDIUM SCALE BUSINESS ENTITIES:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31<sup>st</sup> March, 2023. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 15.

(₹ in Lacs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i The Principal amount and the Interest due thereon remaining unpaid to any supplier at the end of each financial year. (Micro & Small Enterprise)		
- Principal Amount	25.31/-	276.06/-
- Interest Amount	-	-
ii The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv The amount of interest accrued and remaining unpaid at the end of each accounting year		
v The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-



# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

## 16. Related party Disclosure:-

As per Accounting Standard – 18 (AS 18) – “Related Party Disclosure”, Disclosures of Transactions with the related parties as Defined in the accounting standard are given below.

Subsidiaries	None
Associates	RCN Specialties Pvt Ltd
Key Management Personal & their Relatives	Ashish Gandhi
	Komal Gandhi
	Mitesh Gandhi
	Nimit Gandhi
Enterprise in which Key Management Personal, and their Relatives have significant influence	Palash Colours Private Limited Arham Exports

### 1. Transactions with Related Party:

		(₹ in Lacs)
Particulars	2022-23	2021-22
Unsecured Loan	30.00/-	-
Unsecured Loan Repayment	16.74/-	-
Interest on Unsecured Loan	1.15/-	-
Purchase	1,270.32/-	804.34/-
Sales	801.06/-	606.66/-
Factory Shed Rent Expense	1.20/-	1.20/-
Director Remuneration & Bonus	83.85/-	78.00/-
Technical Consultant	4.80/-	5.50/-

### 2. SECURED LOANS:

#### a) Following are the secured loans;

- Cash Credit Account from **State Bank of India**, Interest as applicable to Credit CUE -2 rated units i.e. 1.50% p.a. above EBLR, which is presently 9.15% p.a. Present Effective rate 10.65% p.a. calculated on daily products at monthly rests.
- EPC/FBD Account with **State Bank of India**, Interest at the rate of 1.15% above 91 days T- Bill rate which is presently 6.73%. Present Card Rate 7.88% p.a. calculated on daily products at monthly rests.  
  
3.00% interest subvention is extended to the borrower under RBI's interest subvention scheme for eligible exporters. The said subvention is available till GOI approves the Interest Equalization scheme.
- Term Loan include Working Capital Term Loan (Guaranteed Emergency Credit Line) obtained from **State Bank of India** at bank at 9.25% interest per annum, repayable in 28 installments starting from 1<sup>st</sup> April 2022 and last installment on 1<sup>st</sup> July 2024
- Term loan includes WCTL under GECL 1.0 Extension from **State Bank of India** at 9.25% interest per annum, Moratorium of 12 month, repayable in 36 installments starting from 5<sup>th</sup> January 2024 and last installment on 5<sup>th</sup> December 2026.

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

The above facilities are secured against;

1. Cash Credit (Including EPC/PCFC/FBD/EBR & Forward Contract/Derivative), Working Capital Term Loan (Guaranteed Emergency Credit Line) & WCTL under GECL 1.0 Extension from **State Bank of India** are secured by

➤ **Primary Security:-**

- Exclusive charge by way of hypothecation of Stock, Receivables, and other current assets (present & future) in the name of the Company.

➤ **Collateral Security:-**

- All that piece or parcel of the immovable property on Non Agriculture leasehold property bearing Plot No 1209, admeasuring about 703 SqMtrs, with superstructure thereon, industrial construction standing thereon in Vatva Industrial area/estate in Phase III, of Gujarat Industrial Development Corporation (GIDC), Revenue Survey No. 150 (part) and 151 (part), situated at village- Ghodasar, Taluka-Vatva, in the Registration District Ahmedabad and sub District –Ahmedabad -5 (Narol) in the name of Company.
- All that piece or parcel of the immovable properties of Flat No. SF-4, Sun Castle Complex, admeasuring 140.07Sq Mtrs of Mukti Park Co-operative Housing Society Ltd, Part-3 of Land bearing Survey No 95/1 & 100, T.P.S. No. 1 of F.P. No. 237 & 238, City Survey No. 4777, Situated at Village :- Ghatlodia, Taluka – Ghatlodia, in the Registration District-Ahmedabad and Sub District of Ahmedabad-2 (Vadaj) in the name of Shri Ashish Champaklal Gandhi & Shri Mitesh Champaklal Gandhi.
- All that piece or parcel on the immovable property of non agriculture leasehold property bearing Plot No. 1201 and Plot No. 1202, admeasuring about 1617 Sq. Mtrs and conveyance of construction admeasuring 825 Sq. Mtrs, with superstructures thereon, industrial construction standing thereon in Vatva Industrial Estate in Phase III of Gujarat Industrial Corporation (GIDC). Revenue Survey No. 135 situated at village- Ghodasar, Taluka – Vatva, in the Registration District Ahmedabad and sub District- Ahmedabad 5 (Narol) in the name of Company.

➤ **Third Party Guarantee/Corporate Guarantee:-**

- Mr. Ashishkumar Champaklal Gandhi
- Mrs. KomalMiteshbhai Gandhi
- Mr. MiteshkumarChampaklal Gandhi

3. Contingent Liabilities & Commitments ( to the extent not provided for ):-

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March, 2023	For the Year Ended 31 <sup>st</sup> March, 2022
Contingent Liabilities		
Claim against the Company not acknowledged as debt	Nil	Nil
Guarantee	Nil	Nil
Other money for which the Company is contingently liable	Nil	Nil
Commitments		
Estimated amount contracts remaining to be executed on capital account and not provided for	Nil	Nil
Uncalled liability on shares and other Investments partly paid	Nil	Nil
Other Commitments	Nil	Nil

# Notes

to the Standalone Financial Statements as at and for the year ended March 31, 2023

1. Ratio Disclosure :-

Sr. No.	Particulars	Ratio for the F Y 2022-23	Ratio for the F Y 2021-22
1	Current Ratio	1.91	1.76
2	Debt- Equity Ratio	0.99	1.19
3	Debt Service Coverage Ratio	4.70	4.21
4	Return on Equity Ratio	0.11	0.12
5	Inventory Turnover Ratio	5.65	6.34
6	Trade Receivables Turnover Ratio	2.75	2.84
7	Trade Payable Turnover Ratio	4.11	4.22
8	Net Capital Turnover Ratio	3.80	4.47
9	Net Profit Ratio	3.19	3.27
10	Return on Capital Employed	15.39	16.50
11	Return on Investment	11.24	12.68

For, **SINGHI & CO**  
Chartered Accountants  
FRN:-302049E

For and on behalf of the Board of Director's  
**MAHICKRA CHEMICALS LIMITED**

**SUNIL C BOHARA**  
Partner  
Membership No: - 103395  
UDIN: 23103395BGXTNH6875

**ASHISH GANDHI**  
Wholetime Director  
DIN: 02142344

**MITESH GANDHI**  
Managing Director  
DIN: 02142361

**CS SONA BACHANI**  
Company Secretary

**KALUSINH CHAUHAN**  
Chief Financial Officer

Ahmedabad, 15<sup>th</sup> May 2023

Ahmedabad, 15<sup>th</sup> May 2023

# Independent Auditor's Report

To  
The Members of  
**MAHICKRA CHEMICALS LIMITED**

Report on the Audit of the Consolidated Financial Statements

## Qualified Opinion

We have audited the Consolidated Financial Statements of MAHICKRA CHEMICALS LIMITED ("the Company"), and its associate which comprises the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, and the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of consolidated state of affair of the Company and its associates as at 31<sup>st</sup> March, 2023 and the Consolidated Profit and its Cash Flows for the year ended on that date except for the matter stated in Basis of Qualified Opinion paragraph below

## Basis for Qualified Opinion

1. The Holding Company has filed an application with Authorised dealer seeking permission to "write off" Export Receivable of ₹ 57.29 lakhs from one of the party. However, such receivable is neither "written off" nor "Provision for Doubtful recovery" is done in the books for the same. The trade receivable and profit (loss) for the year is overstated / understated to the extent of such outstanding.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these

requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statement.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except for the matters described in "Basis for Qualified Opinion" section. We have determined that there are no other key audit matters to communicate in our report.

## Responsibility of Management and Those Charged with the Governance for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, (changes in equity) and Consolidated Cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

# Independent Auditor's Report

The respective Board of Directors of the Companies and its associates are responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that

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

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter 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.



# Independent Auditor's Report

## Other Matters

The Consolidated financial include the group's share of total income of ₹ 0.45 Lakhs for the year ended 31<sup>st</sup> March, 2023 as considered in the consolidated financial results, of one associate, whose financial statements have not been audited by us;

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our report on the consolidated financial results, in so far as it relates to the aforesaid associate is based solely on the report of the other auditors;

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal financial control over financial reporting of the Company and its associates and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our reports express an unmodified opinion on the adequacy and reporting 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 which would impact its Financial Position.
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. The Company is not required to transfer any amounts to the Investors Education and Protection Fund.
  - iv. (i) The Holding Company management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by

# Independent Auditor's Report

or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Holding Company management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company, and its associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The dividend declared or paid during the year by the Holding Company and its associates are in compliance with section 123 of the Companies Act, 2013.

vi. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its associates to its director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 of the Act which are required to be commented upon by us.

For, **SINGHI & CO.**  
Chartered Accountants  
FRN NO: 302049E

**SUNIL C BOHARA**  
Partner  
Membership No. 103395  
UDIN: 23103395BGXTNH6875

Ahmedabad, 15<sup>th</sup> May 2023

# Annexure “A”

## to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under “Report on Other Legal and regulatory requirements” of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **Mahickra Chemicals Limited** (hereinafter referred to as the “Holding Company”).

### Management’s Responsibility for Internal Financial Controls

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 Consolidated 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 Consolidated financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

# Annexure “A”

to the Independent Auditor’s Report

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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, **SINGHI & CO.**  
Chartered Accountants  
FRN NO: 302049E

**SUNIL C BOHARA**  
Partner  
Membership No. 103395  
UDIN: 23103395BGXTNH6875

Ahmedabad, 15<sup>th</sup> May 2023

# Consolidated Balance Sheet

as at 31<sup>st</sup> March 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	Note No	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	812.22	812.22
(b) Reserves and Surplus	2	2,437.43	2,162.55
(c) Money Received against Share Warrants		-	-
<b>(2) Share Application Money Pending Allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term Borrowings	3	96.69	113.08
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	4	20.12	20.12
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	5	911.76	889.41
(b) Trade Payables	6	2,029.90	2,367.41
(c) Other Current Liabilities	7	4.41	4.57
(d) Short-term Provisions	8	147.30	147.21
<b>Total</b>		<b>6,459.81</b>	<b>6,516.56</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment & Intangible assets			
(i) Property, Plant & Equipments	9	448.43	167.87
(ii) Intangible assets		-	-
(iii) Capital work-in-progress	10	42.76	293.43
(iv) Intangible assets under development		-	-
(b) Non-Current Investments	11	4.95	-
(c) Deferred Tax Assets (Net)	12	6.04	4.36
(d) Long Term Loans and Advances		-	-
(e) Other Non Current Assets	13	39.80	39.60
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	14	1,898.34	1,746.36
(c) Trade Receivables	15	3,675.63	3,809.83
(d) Cash and Cash Equivalents	16	4.74	4.27
(e) Short-term Loans and Advances	17	0.38	0.20
(f) Other Current Assets	18	338.75	450.65
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORM- ING PARTS OF ACCOUNTS</b>	27		
<b>Total</b>		<b>6,459.81</b>	<b>6,516.56</b>

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

FRN : 302049E

**SUNIL C BOHARA**

Partner

M. No.103395

UDIN:- 23103395BGXTNI4201

Ahmedabad, 15<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

**ASHISH GANDHI**

Wholesale Director

DIN No:- 02142344

**CS SONA BACHANI**

Company Secretary

Ahmedabad, 15<sup>th</sup> May, 2023

**MITESH GANDHI**

Managing Director

DIN No :- 02142361

**KALUSINH CHAUHAN**

Chief Financial Officer



# Consolidated Statement Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	Note No	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Income:</b>			
I Revenue from Operations	19	10,303.38	10,230.09
II Other Income	20	371.39	393.12
III Total Income (I + II)		<b>10,674.77</b>	<b>10,623.21</b>
<b>Expenses:</b>			
Cost of Materials Consumed	21	9,066.70	8,929.96
Changes in Inventories of Finished Goods, Work In Progress & Stock in Trade	22	(180.02)	(85.96)
Employee Benefit Expense	23	138.50	129.18
Finance Cost	24	89.18	75.05
Depreciation and Amortization Expenses	9	55.44	25.23
Other Expenses	25	1,048.95	1,085.17
Total Expenses		<b>10,218.75</b>	<b>10,158.63</b>
V Profit Before Exceptional and Extraordinary Items & Tax (III-IV)		<b>456.02</b>	<b>464.58</b>
VI Exceptional Items		-	-
VII Profit / (Loss) before Extraordinary Items and Tax (V-VI)		<b>456.02</b>	<b>464.58</b>
VIII Extraordinary Items		-	-
IX Profit Before Tax (VII - VIII)		<b>456.02</b>	<b>464.58</b>
X Tax Expense:			
(1) Current tax		129.84	132.38
(2) Deferred Tax Liabilities / (Assets)		(1.68)	(2.63)
(3) Excess / Short Provision of Earlier year		(0.36)	-
XI Share of Associate's Profit		0.45	-
XII Profit / (Loss) from the period from Continuing Operations (IX-X)		<b>328.68</b>	<b>334.83</b>
XIII Balance Brought Forward		1,222.82	887.99
XIV Balance Carried Forward		<b>1551.49</b>	<b>1,222.82</b>
XV Earning per Equity Share:			
Basic & Diluted	26	<b>4.05</b>	<b>4.12</b>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS		27	

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

FRN : 302049E

**SUNIL C BOHARA**

Partner

M. No.103395

UDIN:- 23103395BGXTNH6875

Ahmedabad, 15<sup>th</sup> May, 2023

For and on behalf of the Board of Directors

**ASHISH GANDHI**

Wholtime Director

DIN No:- 02142344

**CS SONA BACHANI**

Company Secretary

**MITESH GANDHI**

Managing Director

DIN No :- 02142361

**KALUSINH CHAUHAN**

Chief Financial Officer

Ahmedabad, 15<sup>th</sup> May, 2023

# Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit After Taxes & Extraordinary Items	328.68	334.83
Adjustments for :		
Provision For Tax	129.48	129.74
Depreciation	55.44	25.23
Interest & Financial Charges Paid	89.18	75.05
	<b>602.77</b>	<b>564.85</b>
Less : Non Operating Incomes	-	-
Operating Profit Before Working Capital Changes	<b>602.77</b>	<b>564.85</b>
Adjustments for :		
Increase/Decrease In Inventories	(151.98)	(263.84)
Increase/Decrease In Trade Receivables	134.20	(422.88)
Increase/Decrease In Deferred Tax Assets	(1.68)	(2.63)
Increase/Decrease In Short Term Loans & Advances	(0.18)	-
Increase/Decrease In Other Current Assets	111.90	59.04
Increase/Decrease In Long Term Provisions	-	5.29
Increase/Decrease In Deferred Tax Liability	-	-
Increase/Decrease In Trade Payables	(337.51)	501.92
Increase/Decrease In Other Current Liabilities & Provisions	(0.08)	11.69
Cash Generated From Operations	<b>357.44</b>	<b>453.43</b>
Net Income Tax Paid / (Net of Refunds)	<b>129.48</b>	<b>129.74</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>227.96</b>	<b>323.69</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed Assets Purchased / Transferred / WIP	(86.34)	(134.66)
Sale of Fixed Assets	-	-
Increase/Decrease In Other Non Current Investment	(4.95)	-
Increase/Decrease In Other Non Current Assets	(0.20)	(9.27)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(91.49)</b>	<b>(143.93)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Share Capital	-	-
Proceeds From Security Premium	-	-
Proceeds From Long Term Borrowings	(16.39)	29.18
Proceeds From Working Capital Loans	22.35	(83.44)
Outflow of Dividend	(52.79)	(52.79)
Interest & Financial Charges	(89.18)	(75.05)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(136.01)</b>	<b>(182.11)</b>
<b>Net Increase / Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>0.47</b>	<b>(2.35)</b>
Cash & Cash Equivalents at the beginning of the year	<b>4.27</b>	<b>6.62</b>
Cash & Cash Equivalents at the end of the year	<b>4.74</b>	<b>4.27</b>

For and on behalf of

**SINGHI & CO.**

Chartered Accountants

FRN : 302049E

**SUNIL C BOHARA**

Partner

M. No.103395

UDIN:- 23103395BGXTNH6875

Ahmedabad, 15th May, 2023

For and on behalf of the Board of Directors

**ASHISH GANDHI**

Wholtime Director

DIN No:- 02142344

**CS SONA BACHANI**

Company Secretary

Ahmedabad, 15th May, 2023

**MITESH GANDHI**

Managing Director

DIN No :- 02142361

**KALUSINH CHAUHAN**

Chief Financial Officer

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 1 Share Capital

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Share Capital</b>		
Authorised Share Capital :		
Equity Share Capital	1,100.00	1,100.00
1,10,00,000 Equity Shares of ₹ 10/- each		
(Last year : 1,10,00,000 Equity Shares of Rs 10/- each)		
	<b>1,100.00</b>	<b>1,100.00</b>
<b>Issued, Subscribed &amp; Paid Share Capital</b>		
81,22,160 Equity Shares of ₹ 10/- each	812.22	812.22
(Last year : 81,22,160 Equity Shares of ₹ 10/- each)		
<b>Total</b>	<b>812.22</b>	<b>812.22</b>

### 1(A) Reconciliation of the number of Equity Shares Outstanding at the beginning & at the end of year.

Particulars	As at 31 <sup>st</sup> March 2023 Number	As at 31 <sup>st</sup> March 2022 Number
Shares outstanding at the beginning of the year	81,22,160	81,22,160
Add : Shares issued during the year	-	-
Add : Shares issued under Preferential Allotment	-	-
<b>Shares outstanding at the end of the year</b>	<b>81,22,160</b>	<b>81,22,160</b>

### 1(B) Details of Shareholders Holding more than 5% of Shares

Particulars	As at 31 <sup>st</sup> March 2023	
	Number	% of Share Holding
Ashishkumar Champaklal Gandhi	17,85,623	21.98%
Gandhi Komal Mitesh	9,33,613	11.49%
Mitesh Champaklal Gandhi	6,79,528	8.37%
<b>Number of Shares</b>	<b>33,98,764</b>	<b>41.84%</b>

### 1(B) Details of Shareholders Holding more than 5% of Shares

Particulars	As at 31 <sup>st</sup> March 2022	
	Number	% of Share Holding
Ashishkumar Champaklal Gandhi	17,69,123	21.78%
Gandhi Komal Mitesh	9,24,613	11.38%
Mitesh Champaklal Gandhi	6,27,028	7.72%
<b>Number of Shares</b>	<b>33,20,764</b>	<b>40.89%</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## Shareholding of Promoters

### 1(C) Share held by the Promoter at the end of the year

Particulars	No of Shares	% of total Shares	As at 31 <sup>st</sup> March 2023 % Change during the year
<b>Name of Promoters</b>			
Ashishkumar Champaklal Gandhi	17,85,623	21.98%	0.20%
Gandhi Komal Mitesh	9,33,613	11.49%	0.11%
Mitesh Champaklal Gandhi	6,79,528	8.37%	0.65%
Champakbhai K Gandhi HUF	42,000	0.52%	0.09%
Ashishkumar Champaklal Gandhi HUF	63,000	0.78%	0.20%
Mitesh Champaklal Gandhi	76,500	0.94%	0.11%
Champaklal Kachralal Gandhi	2,27,499	2.80%	0.00%
Jayantilal Sakrachand Shah	16,534	0.20%	0.00%
Sulochana Arvind Kotadia	25,000	0.31%	0.00%
Anitaben Ashishkumar Gandhi	2,22,355	2.74%	0.18%
Romil Miteshkumar Gandhi	63,000	0.78%	0.00%
Chintan Ashish Gandhi	99,000	1.22%	0.17%
Nimit Miteshkumar Gandhi	75,000	0.92%	0.00%
<b>Number of Shares</b>	<b>43,08,652</b>	<b>53.05%</b>	<b>1.71%</b>

### 1(C) Share held by the Promoter at the end of the year

Particulars	No of Shares	% of total Shares	As at 31 <sup>st</sup> March 2022 % Change during the year
<b>Name of Promoters</b>			
Ashishkumar Champaklal Gandhi	17,69,123	21.78%	0.15%
Gandhi Komal Mitesh	9,24,613	11.38%	0.30%
Mitesh Champaklal Gandhi	6,27,028	7.72%	0.41%
Champakbhai K Gandhi HUF	34,500	0.42%	0.02%
Ashishkumar Champaklal Gandhi HUF	46,500	0.57%	0.04%
Mitesh Champaklal Gandhi	67,500	0.83%	0.18%
Champaklal Kachralal Gandhi	2,27,499	2.80%	0.02%
Jayantilal Sakrachand Shah	16,534	0.20%	0.00%
Sulochana Arvind Kotadia	25,000	0.31%	0.00%
Anitaben Ashishkumar Gandhi	2,07,400	2.55%	0.11%
Romil Miteshkumar Gandhi	63,000	0.78%	0.09%
Chintan Ashish Gandhi	85,500	1.05%	0.11%
Nimit Miteshkumar Gandhi	75,000	0.92%	0.09%
<b>Number of Shares</b>	<b>41,69,197</b>	<b>51.33%</b>	<b>1.51%</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 2 Reserves and Surplus

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Reserves and Surplus</b>		
<b>Security Premium</b>		
Opening Balance	1,038.62	1,038.62
Add:- Security Premium received During the Year	-	-
	<b>1,038.62</b>	<b>1,038.62</b>
Effect on Depreciation As per Company Act 2013	(1.48)	(0.47)
	<b>1,037.14</b>	<b>1,038.15</b>
<b>Surplus from profit and loss account</b>		
Opening Balance	1,124.40	842.37
Profit/loss during the year	328.68	334.83
Less:- Interim Dividend on Equity Share	52.79	52.79
	<b>1,400.28</b>	<b>1,124.40</b>
<b>Total</b>	<b>2,437.43</b>	<b>2,162.55</b>

## 3 Long-Term Borrowings

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>a Secured Loans - From Banks - Covid Loan</b>		
i Working Capital Term Loan from SBI (Under GECL-1.0 Ext.)	82.28	89.56
ii Working Capital Term Loan from SBI (Under GECL-1.0)	-	23.52
<b>b Unsecured Loan</b>		
Ashishkumar Champaklal Gandhi	14.40	-
<b>Total</b>	<b>96.69</b>	<b>113.08</b>

Security disclosure for the outstanding term loan borrowings as on 31 March 2023: ( Refer Notes Point No.15 of SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS

## 4 Long Term Provisions

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>a Provision for Employee Benefits</b>		
i Provision For Gratuity	20.12	20.12
<b>Total</b>	<b>20.12</b>	<b>20.12</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 5 Short Term Borrowings

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>a Loan Repayable on demand</b>		
i Cash Credit with State Bank of India	278.78	829.41
ii EPC/OD from State Bank of India - 41134174072	602.39	-
iii EPC from State Bank of India - 38739927875	(0.00)	(0.00)
iv Current Maturity for Long term borrowings	30.59	60.00
<b>Total</b>	<b>911.76</b>	<b>889.41</b>

Security disclosure for the outstanding short term borrowings as on 31 March 2023: ( Refer Notes Point No.15 of SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS

## 6 Trade Payables

Particulars	As at 31 <sup>st</sup> March 2023				
	Less than 1 Years	1 -2 Years	2 - 3 Years	More than 3 Years	Total
<b>i Due to Micro, Small &amp; Medium Enterprise</b>					
MSME -Trade Payables for Expenses	6.02	-	-	-	6.02
Disputed Dues MSME- Trade Payable for Exps	-	-	-	-	-
MSME Trade Payables for Goods	49.80	-	-	-	49.80
Disputed Dues MSME- Trade Payable for Goods	-	-	-	-	-
<b>ii Due to Creditor other than Micro ,Small &amp; Medium Enterprise</b>					
Trade Payables for Expenses	161.82	-	-	-	161.82
Disputed Dues - Trade Payable for Exps	-	-	-	-	-
Trade Payables for Goods	1,812.26	-	-	-	1,812.26
Disputed Dues - Trade Payable for Goods	-	-	-	-	-
<b>Total</b>	<b>2,029.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,029.90</b>



# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 6 Trade Payables

Particulars	As at 31 <sup>st</sup> March 2022				Total
	Less than 1 Years	1 -2 Years	2 - 3 Years	More than 3 Years	
<b>i Due to Micro, Small &amp; Medium Enterprise</b>	-	-	-	-	-
MSME -Trade Payables for Expenses	17.98	-	-	-	17.98
MSME Disputed Dues - Trade Payable for Exps	-	-	-	-	-
MSME Trade Payables for Goods	416.21	-	-	-	416.21
MSME Disputed Dues - Trade Payable for Goods	-	-	-	-	-
<b>ii Due to Creditor other than Micro ,Small &amp; Medium Enterprise</b>	-	-	-	-	-
Trade Payables for Expenses	246.89	0.25	-	-	247.14
Disputed Dues - Trade Payable for Exps	-	-	-	-	-
Trade Payables for Goods	1,686.04	0.03	-	-	1,686.08
Disputed Dues - Trade Payable for Goods	-	-	-	-	-
<b>Total</b>	<b>2,367.13</b>	<b>0.28</b>	<b>-</b>	<b>-</b>	<b>2,367.41</b>

## 7 Other Current Liabilities

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Other Statutory Liabilities	4.41	4.57
<b>Total</b>	<b>4.41</b>	<b>4.57</b>

## 8 Short-Term Provisions

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Provision for Employee Benefits	12.03	9.46
ii Provision for Expenses & Others	135.27	137.76
<b>Total</b>	<b>147.30</b>	<b>147.21</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 9 Property , Plant & Equipment & Intangible assets

Particulars	Buildings	Furniture and Fittings	Plant and Machinery	Office Equipment	Motor Vehicles	Computer and Data processing units	Electrical Installations and Equipment	Total
<b>Gross Carrying amount as at 1<sup>st</sup> April,2022</b>	<b>73.94</b>	24.35	169.83	13.80	43.18	1.55	3.11	329.75
Additions	300.92	-	35.45	0.65	-	-	-	337.01
Disposals/Transfer	-	-	-	-	-	-	-	-
Transfer to stock in trade	-	-	-	-	-	-	-	-
Gross Carrying amount as at 31 <sup>st</sup> March,2023	374.86	24.35	205.28	14.45	43.18	1.55	3.11	666.76
<b>Accumulated Depreciation as at 1<sup>st</sup> April,2022</b>	<b>35.45</b>	6.34	92.18	8.34	17.97	1.02	0.57	161.88
Depreciation charge for the year	26.01	4.64	13.78	2.29	7.74	0.33	0.66	55.44
Effect on Depreciation as per Companies Act, 2013	-	-	0.29	0.71	-	-	-	1.01
Disposals	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31<sup>st</sup> March,2023</b>	<b>61.46</b>	<b>10.98</b>	<b>106.25</b>	<b>11.34</b>	<b>25.71</b>	<b>1.35</b>	<b>1.23</b>	<b>218.33</b>
Net Carrying Amount as at 31 <sup>st</sup> March, 2023	313.39	13.37	99.02	3.11	17.46	0.19	1.88	448.43
Net Carrying Amount as at 1 <sup>st</sup> April, 2022	38.49	18.01	77.65	5.46	25.20	0.52	2.53	167.87

Particulars	Buildings	Furniture and Fittings	Plant and Machinery	Office Equipment	Motor Vehicles	Computer and Data processing units	Electrical Installations and Equipment	Total
<b>Gross Carrying amount as at 1<sup>st</sup> April,2021</b>	<b>53.58</b>	2.33	148.66	7.14	19.98	0.84	-	232.53
Additions	20.36	22.02	21.18	6.66	23.20	0.70	3.11	97.22
Disposals/Transfer	-	-	-	-	-	-	-	-
Transfer to stock in trade	-	-	-	-	-	-	-	-
Gross Carrying amount as at 31 <sup>st</sup> March,2022	73.94	24.35	169.83	13.80	43.18	1.55	3.11	329.75
<b>Accumulated Depreciation as at 1<sup>st</sup> April,2021</b>	<b>33.15</b>	1.86	81.86	5.58	13.84	0.35	-	136.65
Depreciation charge for the year	2.31	4.48	10.32	2.76	4.13	0.67	0.57	25.23
Effect on Depreciation as per Companies Act, 2013	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated Depreciation as at 31 <sup>st</sup> March,2022	35.45	6.34	92.18	8.34	17.97	1.02	0.57	161.88
Net Carrying Amount as at 31 <sup>st</sup> March, 2022	38.49	18.01	77.65	5.46	25.20	0.52	2.53	167.87
Net Carrying Amount as at 1 <sup>st</sup> April, 2021	20.43	0.47	66.79	1.56	6.13	0.49	-	95.88

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 10 Capital Work In Progress (CWIP)

Particulars	As at 31 <sup>st</sup> March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 Years	1 -2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	42.76	-	-	-	42.76
Projects temporarily suspended	-	-	-	-	-
Total	42.76	-	-	-	42.76

Particulars	As at 31 <sup>st</sup> March 2022				Total
	Amount in CWIP for a period of				
	Less than 1 Years	1 -2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	62.85	18.07	212.51	-	293.43
Projects temporarily suspended	-	-	-	-	-
Total	62.85	18.07	212.51	-	293.43

## 11 Non Current Investment

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Long Term Trade Investment (At Cost)		
Investment in Equity Instrument		
i Investment in Associates		
Share Investment in RCN Specialities Pvt Ltd	4.50	-
( 45,000 Equity Shares of ₹ 10/- each)	-	-
Add:- Profit fo the Year	0.45	-
<b>Total</b>	<b>4.95</b>	<b>-</b>

## 12 Deferred Tax Assets

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Depreciation	(1.16)	(1.24)
ii Provision for Gratuity	7.20	5.60
<b>Total</b>	<b>6.04</b>	<b>4.36</b>

## 13 Other Non Current Assets

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Security Deposits	39.80	39.60
<b>Total</b>	<b>39.80</b>	<b>39.60</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 14 Inventories

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Stock of Raw Materials	712.74	740.78
ii Stock of Work In Progress	1,180.51	949.85
iii Stock of Finished Goods	5.09	55.73
<b>Total</b>	<b>1,898.34</b>	<b>1,746.36</b>

## 15 Trade Receivables

Particulars	As at 31 <sup>st</sup> March 2023					Total
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed Trade Receivables- Considered Goods</b>	<b>2,158.29</b>	<b>401.30</b>	<b>521.38</b>	<b>256.04</b>	<b>338.62</b>	<b>3,675.63</b>
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>2,158.29</b>	<b>401.30</b>	<b>521.38</b>	<b>256.04</b>	<b>338.62</b>	<b>3,675.63</b>

## 15 Trade Receivables

Particulars	As at 31 <sup>st</sup> March 2023					Total
	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed Trade Receivables- Considered Goods</b>	<b>2,106.52</b>	<b>476.89</b>	<b>752.53</b>	<b>249.85</b>	<b>224.04</b>	<b>3,809.83</b>
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>2,106.52</b>	<b>476.89</b>	<b>752.53</b>	<b>249.85</b>	<b>224.04</b>	<b>3,809.83</b>

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>UNSECURED</b>		
Considered Good	3,363.82	3,809.83
Considered Doubtful	311.81	-
Less: Provision for Doubtful Trade Receivables	-	-
Others (Considered Good)	-	-
<b>TOTAL UNSECURED (A)</b>	<b>3,675.63</b>	<b>3,809.83</b>
<b>SECURED</b>		
Considered Good	-	-
Considered Doubtful	-	-
Less: Provision for Doubtful Trade Receivables	-	-
Others (Considered Good)	-	-
<b>TOTAL SECURED (B)</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRADE RECEIVABLES (A + B)</b>	<b>3,675.63</b>	<b>3,809.83</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 16 Cash and Cash Equivalents

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Balances with Scheduled Bank in EEFC & Dividend Account	0.36	0.13
ii Cash on hand	4.38	4.14
<b>Total</b>	<b>4.74</b>	<b>4.27</b>

## 17 Short Term Loans & Advances

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Advances to Employee	0.38	0.20
<b>Total</b>	<b>0.38</b>	<b>0.20</b>

## 18 Other Current Assets

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i Balance with Revenue Authorities	326.72	442.36
ii Prepaid Expenses	12.04	8.29
<b>Total</b>	<b>338.75</b>	<b>450.65</b>

## 19 Revenue from Operations (for Companies other than a finance company)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Sales of Goods - Domestic	3,145.84	3,057.04
Sales of Goods - Export	7,157.55	7,173.05
<b>Total</b>	<b>10,303.38</b>	<b>10,230.09</b>

## 20 Other Income

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Export Incentive - Duty Drawback	184.51	181.55
Foreign Exchange Gain / Loss (Realised & Unrealised)	134.99	117.86
Interest Income	1.82	13.96
RODTAP Licence Income	48.86	79.75
Discount Received	1.21	-
<b>Total</b>	<b>371.39</b>	<b>393.12</b>

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 21 Cost of Materials Consumed

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Opening Stock	740.78	562.90
Add :-Import Purchases	1,097.09	773.46
Add :-Domestic Purchases	7,941.56	8,334.38
	<b>9,779.44</b>	<b>9,670.74</b>
Less :- Closing Stock	712.74	740.78
<b>Total</b>	<b>9,066.70</b>	<b>8,929.96</b>

## 22 Change In Inventories

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Closing Stock of Finished Goods & WIP & Stock in Trade	1,186	1,005.58
Opening Stock of Finished Goods & WIP & Stock in Trade	1,005.58	919.62
<b>Total</b>	<b>(180.02)</b>	<b>(85.96)</b>

## 23 Employee Benefit Expenses

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Salary Expenses	12.19	12.25
Wages Expenses	30.98	29.07
Director Remuneration	83.85	78.00
Director Sitting Fees	0.80	0.80
Bonus Expenses	3.34	3.16
Contribution to Fund	1.57	0.61
Provision For Gratuity	5.76	5.29
<b>Total</b>	<b>138.50</b>	<b>129.18</b>

## 24 Financial Cost

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Bank Charges	25.41	17.29
Bank Interest	60.74	44.88
Bank Loan Processing Charges	0.23	12.87
Interest on late payment to suppliers	1.65	0.01
Interest on Unsecured Loan	1.15	-
<b>Total</b>	<b>89.18</b>	<b>75.05</b>



# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

## 25 Other Expenses

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Advertisement Expenses	33.80	0.46
Audit Fees	1.15	1.15
Bad Debts	-	72.23
Marketing & Business Promotion Expenses	1.83	8.30
C & F Charges	406.92	551.27
Commission Expenses	6.06	-
Conveyance Expenses	5.16	3.22
Custom Duty on Import Purchase	46.96	25.81
Donation	0.04	0.35
Duty Draw Back Expenses	6.78	-
Effluent Pipe Line Project Expenses	0.10	2.88
ETP Additional Booking Charges	30.00	-
Effluent Treatment Expenses	7.93	7.84
Electricity Expenses	32.33	34.41
Exhibition Expenses	11.01	0.74
Export Certification Charges	3.03	9.88
Foreign Commission Expenses	42.82	-
Foreign Travelling Expenses	4.12	6.42
Freight Outward Expenses	36.75	21.56
Factory Expenses	1.78	1.09
Freight Inward Charges	0.90	2.43
Fuel Expenses	169.41	191.90
GIDC Expenses	0.03	1.08
GST Audit Expenses	-	0.02
Gain/Loss of Sales of MEIS Liscence	14.32	-
Insurance Expenses	26.80	28.82
Interest on Duties & Taxes	5.70	2.50
Jobwork Charges	2.85	-
ISO Expenses	0.29	1.52
Issuer & Processing Fees	0.38	0.38
Kasar & Vatav	-	0.17
Laboratory Testing Charges	6.94	6.66
Membership Fees	0.40	0.23
Municipal Tax	1.29	0.90
Office Expenses	3.14	6.85
Packing & Loading Expenses	41.26	25.59
Pollution Consent Fees	0.05	0.25
Postage & Courier Expenses	3.84	4.70
Printing & Stationery Expenses	5.05	4.32
Prior Period Expenses	1.24	-
Professional & Consulting Charges	21.66	30.69

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(₹ in Lac, except for share data and if otherwise stated)

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Professional Tax	0.03	0.02
Rent Expenses	3.00	2.40
Repairs & Maintenance Expenses	24.91	10.18
ROC Charges	0.16	0.12
Security Guard Service Charges	5.76	5.28
Software Expenses	0.26	0.17
SWM Expenses	0.12	0.11
Staff Welfare Exps	2.77	-
Telephone Expenses	0.35	0.49
Travelling Expenses	24.18	6.29
GST & Vat Exps	1.58	1.86
Water Charges	1.76	1.61
<b>Total</b>	<b>1,048.95</b>	<b>1,085.17</b>

## 26 Earning Per Share

Particulars	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Basic & Diluted		
Profit After Tax available for Equity Share Holders	328.68	334.83
Weighted Average No. of Equity Shares	81,22,160	81,22,160
Earning Per Share- Basic	4.05	4.12
Earning Per Share- Diluted	4.05	4.12

## 27 COMPANY OVERVIEW

MAHICKRA CHEMICAL LIMITED referred to as "The Company" is incorporated on 13<sup>th</sup> November, 2017 under Companies Act 2013 by conversion from Partnership firm to Unlisted Public Limited Company under Companies Act, 2013 and Certificate to that effect, was issued on 13<sup>th</sup> November, 2017 by Registrar of Companies, Gujarat State at Ahmedabad. It is engaged in Manufacturing & Trading of Dyes & Chemicals..

### A- SIGNIFICANT ACCOUNTING POLICY

#### 1. BASIS OF CONSOLIDATION

The Consolidated Financial Statements (CFS) relates Mahickra Chemicals Limited (hereinafter referred as the "Company") and its associate (the Holding Company, its associate together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information/notes (herein referred to as "the Consolidated Financial Statements"). The CFS have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" (AS 21) referred to in section 133 of the Companies Act 2013 and the relevant provisions of The Companies Act, 2013 and are prepared on the following basis:

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

For consolidation, the Company has used Equity Method in compliance to the provision of Accounting Standard 23 wherein the initial investment is being recorded at cost of acquisition and the carrying amount is decreased / increased to recognize Company's share of profit/loss after eliminating unrealized profit resulting from inter-group transactions if any, of the Associate after the date of acquisition.

The consolidated financial statement includes the accounts of the Company and its share of profit in associate as detailed below:

Name and relation	Country of Incorporation	% Shareholding
RCN Specialities Private Limited	India	45%

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:-

The accounting principles and policies, recognized as appropriate for measurement and reporting of the financial performance and financial position are follow on accrual basis except as otherwise disclosed, using historical costs (i.e., not taking in to account changing money values impact of inflation) are applied in the preparation of the Consolidated financial statements and those which are considered materials to the affaires are suitably disclosed. The statement on significant Accounting Standards in respect of which were no materials transactions or where compliance with such standard is not mandatory for the Company. The Consolidated Financial Statements are in accordance with the requirements of the Companies Act, 2013.

## 3. USE OF ESTIMATES:-

The preparation of Consolidated Financial Statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the consolidated financial statements and the reported amount of revenues & expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

## 4. REVENUE RECOGNITION :-

### Sale of Goods:

Sales are recognized as and when the risk and reward of ownership is passed to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding duties or taxes collected on behalf of the government.

Revenue is reduced for rebates and loyalty points granted for purchase and are stated net of returns and discounts wherever applicable.

### Other Income:

Incomes in respect of Duty Drawback in respect of exports made during the year are accounted on accrual basis.

Income in respect of MEIS Income & RODTAP Income in respect of Exports made during the year is accounted on the basis of the MEIS/RODTAP Application made during the year.

Discount & Kasar-Vatav income from a financial asset is recognized when it is possible that the economic benefits will flow to the Company and the amount of the income can be measured reliably.

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

## **Subsidy income is received from Exhibition outside India on a time basis.**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## **5. INVENTORIES:-**

Inventories of Finished Goods are measured at lower of cost and net realizable value whereas inventory of raw materials and stock in process are measured at cost.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make it sale.

## **6. CASH & CASH EQUIVALENTS:-**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **7. CASH FLOW :-**

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

## **8. EVENTS OCCURRING AFTER THE BALANCE SHEET :-**

Material events occurring after the balance sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.

## **9. PROPERTY, PLANT AND EQUIPMENT:-**

Property, Plant and Equipment are recorded at cost of acquisition with construction cost if any. They are stated at historical cost less accumulated depreciation, amortization and impairment loss, if any. Cost includes expenditures that is directly attributable to the acquisition of the items.

## **10. DEPRECIATION ON PROPERTY, PLANT AND EQUIPMENT:-**

Depreciation on tangible fixed assets has been provided on the WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions / deletion during the year is charged on actual basis from the date of such addition / deletion.

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

## 11. CAPITAL WORK-IN-PROGRESS (CWIP)

Project under construction wherein assets are not ready for use in the manner as identified asset for a period of time in exchange for consideration.

## 12. EMPLOYEE BENEFIT COSTS:-

### Defined Contribution Plan:

Employee benefits in the form of contribution to Superannuation Fund, Provident Fund managed by Government Authorities, Employees State Insurance Corporation are considered as defined contribution plan and the same is charged to the statement of profit and loss for the year when the contributions to the respective funds are due.

### Defined Benefits Plan:

Retirement benefits in the form of gratuity, post-retirement medical benefit and death & disability benefit are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation using the projected unit credit method, as at the date of the balance sheet. Actuarial Gains / losses, if any, are recognized in the Statement of Profit & Loss.

Employee Benefit, in the form of contribution to Provident Fund managed by a Trust set up by the Company, is charged to statement of profit and loss as and when the contribution is due. The deficit, if any, in the accumulated corpus of the trust is recognized in the statement of profit and loss based on actuarial valuation.

## 13. BORROWING COST:-

Borrowing costs that are directly attributable to the acquisition, construction or production of fixed assets are considered as part of the cost of that asset till the date of the acquisition. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## 14. EARNING PER SHARE:-

Basic earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potentially equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

## 15. IMPAIRMENT OF ASSETS:-

The Management periodically assesses, using external and internal sources whether there is an indication that an assets may be impaired. If an asset is impaired, the Company recognizes impairment loss as the excess of carrying amount of the assets over recoverable amount.

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

## 16. TAXES ON INCOME:-

Tax Expenses for the year, i.e. Current Tax is included in determining the net profit for the year. A provision is made for the current tax liability computed in accordance with relevant tax rates and tax laws.

## 17. DEFERRED TAX-ASSET/LIABILITY:-

The Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India is applicable to the Company. The Deferred Tax is recognized for all timing differences being the difference between "taxable Income" and "accounting Income" that originate in one period, and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred Tax Assets are recognized to the extent reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each balance sheet date.

## 18. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:-

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities, if any, are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## 19. OPERATING SEGMENT:-

The Company operates in a single segment i.e. manufacturing and trading of Reactive Dyes, Therefore, separate segment report is not prepared.

## 20. FOREIGN CURRENCY TRANSACTION:-

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Differences arising out of foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

Monetary items outstanding at the balance sheet date and denominated in foreign currencies are recorded at the exchange rate prevailing at the end of the year. Differences arising there from are recognized in the Statement of Profit and Loss.

## B- NOTES TO ACCOUNTS:-

1. The Schedules referred to in the Balance Sheet and Profit and Loss Account forms an integral part of the accounts.
2. Balances of "Trade Receivables", "Trade Payables", "Secured Loans", "Unsecured Loans" and "Loans and Advances" are subject to confirmations and reconciliations.
3. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.
4. The Company has not given Loan and has complied with the provisions of Section 186 of the Companies Act, 2013 and the Rules made there under.
5. Previous year figures have been regrouped / rearranged wherever it founds necessary.



# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

6. Employees whose remuneration in aggregate was not less than ₹ 102.00 Lacs per annum and part of the whose remuneration was not less than ₹ 8.5 Lacs per month is Nil.

7. The Details of Payment to Statutory auditors are as under.

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Audit Fees	1.15/-	1.15/-
<b>Total...</b>	<b>1.15/-</b>	<b>1.15/-</b>

8. The Details of Director Remuneration are as under.

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Ashish Gandhi	31.85/-	29.25/-
Komal Gandhi	26.00/-	26.00/-
Mitesh Gandhi	26.00/-	22.75/-
<b>Total...</b>	<b>83.85/-</b>	<b>78.00/-</b>

9. Value of Imports calculates on CIF Basis.

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Value of Import As Per CIF Basis	1,097.09/-	773.46/-

10. Expenditure in Foreign Currency

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Foreign Certification Expenses	10.29/-	9.02/-
Foreign Commission Expenses	42.82/-	-
Travelling Exps	4.12/-	6.42/-
Other Exps	--	0.38/-

11. Earning in Foreign Currency in FOB

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Earning in Foreign Currency (FOB)	6838.69/-	6724.89/-

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

## 12. EARNING PER EQUITY SHARE Basics & Diluted

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March 2023	For the Year Ended 31 <sup>st</sup> March 2022
Profit after Tax available for Equity Shareholders	328.68/-	334.83/-
No. of Equity Share of ₹ 10 each at the Beginning	81,22,160	81,22,160
No. of Equity Shares of ₹ 10 each at the end of the period	81,22,160	81,22,160
Weight an Average of Share	81,22,160	81,22,160
Earning Per Share – Basic	4.05	4.12
Earning Per Share – Diluted	4.05	4.12

EPS is calculated as per Accounting Standard-20 considering the splitting of Equity Shares and accordingly EPS is adjusted for the comparative previous year presented.

## 13. MICRO, SMALL AND MEDIUM SCALE BUSINESS ENTITIES:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31<sup>st</sup> March, 2023. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Sl. No.	Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
i	The Principal amount and the Interest due thereon remaining unpaid to any supplier at the end of each financial year. (Micro & Small Enterprise)		
	-Principal Amount	25.31/-	276.06/-
	-Interest Amount	-	-
ii	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
	Add:- Profit fo the Year		
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year		
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

## 14. Related party Disclosure:-

As per Accounting Standard – 18 (AS 18) – “Related Party Disclosure”, Disclosures of Transactions with the related parties as Defined in the accounting standard are given below.

### List of Related Parties:

Subsidiaries	None
Associates	RCN Specialties Pvt Ltd
Key Management Personal & their Relatives	Ashish Gandhi
	Komal Gandhi
	Mitesh Gandhi
	Nimit Gandhi
Enterprise in which Key Management Personal, and their Relatives have significant influence	Palash Colours Private Limited
	Arham Exports

### Transactions with Related Party:

Particulars	(₹ in Lacs)	
	2022-23	2021-22
Unsecured Loan	30.00/-	-
Unsecured Loan Repayment	16.74/-	-
Interest on Unsecured Loan	1.15/-	-
Purchase	1,270.32/-	804.34/-
Sales	801.06/-	606.66/-
Factory Shed Rent Expense	1.20/-	1.20/-
Director Remuneration & Bonus	83.85/-	78.00/-
Technical Consultant	4.80/-	5.50/-

## 15. SECURED LOANS:

### a) Following are the secured loans;

- Cash Credit Account from State Bank of India, Interest as applicable to Credit CUE -2 rated units i.e. 1.50% p.a. above EBLR, which is presently 9.15% p.a. Present Effective rate 10.65% p.a. calculated on daily products at monthly rests.
- EPC/FBD Account with State Bank of India, Interest at the rate of 1.15% above 91 days T- Bill rate which is presently 6.73%. Present Card Rate 7.88% p.a. calculated on daily products at monthly rests.  
  
3.00% interest subvention is extended to the borrower under RBI's interest subvention scheme for eligible exporters. The said subvention is available till GOI approves the Interest Equalization scheme.
- Term Loan include Working Capital Term Loan (Guaranteed Emergency Credit Line) obtained from State Bank of India at bank at 9.25% interest per annum, repayable in 28 installments starting from 1<sup>st</sup> April 2022 and last installment on 1<sup>st</sup> July 2024

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

4. Term loan includes WCTL under GECL 1.0 Extension from State Bank of India at 9.25% interest per annum, Moratorium of 12 month, repayable in 36 installments starting from 5<sup>th</sup> January 2024 and last installment on 5<sup>th</sup> December 2026.

**The above facilities are secured against;**

1. Cash Credit (Including EPC/PCFC/FBD/EBR & Forward Contract/Derivative), Working Capital Term Loan (Guaranteed Emergency Credit Line) & WCTL under GECL 1.0 Extension from State Bank of India are secured by

➤ **Primary Security:-**

- Exclusive charge by way of hypothecation of Stock, Receivables, and other current assets (present & future) in the name of the Company.

➤ **Collateral Security:-**

- All that piece or parcel of the immovable property on Non Agriculture leasehold property bearing Plot No 1209, admeasuring about 703 Sq Mtrs, with superstructure thereon, industrial construction standing thereon in Vatva Industrial area/estate in Phase III, of Gujarat Industrial Development Corporation (GIDC), Revenue Survey No. 150 (part) and 151 (part), situated at village- Ghodasar, Taluka-Vatva, in the Registration District Ahmedabad and sub District –Ahmedabad -5 (Narol) in the name of Company.
- All that piece or parcel of the immovable properties of Flat No. SF-4, Sun Castle Complex, admeasuring 140.07Sq Mtrs of Mukti Park Co-operative Housing Society Ltd, Part-3 of Land bearing Survey No 95/1 & 100, T.P.S. No. 1 of F.P. No. 237 & 238, City Survey No. 4777, Situated at Village :- Ghatlodia, Taluka –Ghatlodia, in the Registration District-Ahmedabad and Sub District of Ahmedabad-2 (Vadaj) in the name of Shri Ashish Champaklal Gandhi & Shri Mitesh Champaklal Gandhi.
- All that piece or parcel on the immovable property of non agriculture leasehold property bearing Plot No. 1201 and Plot No. 1202, admeasuring about 1617 Sq. Mtrs and conveyance of construction admeasuring 825 Sq. Mtrs, with superstructures thereon, industrial construction standing thereon in Vatva Industrial Estate in Phase III of Gujarat Industrial Corporation (GIDC). Revenue Survey No. 135 situated at village- Ghodasar, Taluka – Vatva, in the Registration District Ahmedabad and sub District- Ahmedabad 5 (Narol) in the name of Company.

➤ **Third Party Guarantee / Corporate Guarantee:-**

- Mr. Ashishkumar Champaklal Gandhi
- Mrs. Komal Miteshbhai Gandhi
- Mr. Miteshkumar Champaklal Gandhi

# Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2023

## 16. Contingent Liabilities & Commitments ( to the extent not provided for ):-

Particulars	(₹ in Lacs)	
	For the Year Ended 31 <sup>st</sup> March, 2023	For the Year Ended 31 <sup>st</sup> March, 2022
<b>Contingent Liabilities</b>		
Claim against the Company not acknowledged as debt	Nil	Nil
Guarantee	Nil	Nil
Other money for which the Company is contingently liable	Nil	Nil
<b>Commitments</b>		
Estimated amount contracts remaining to be executed on capital account and not provided for	Nil	Nil
Uncalled liability on shares and other Investments partly paid	Nil	Nil
Other Commitments	Nil	Nil

For, **SINGHI & CO**  
Chartered Accountants  
FRN:-302049E

For and on behalf of the Board of Director's  
**MAHICKRA CHEMICALS LIMITED**

**SUNIL C BOHARA**  
Partner  
Membership No: - 103395  
UDIN: 23103395BGXTNI4201

**ASHISH GANDHI**  
Wholetime Director  
DIN: 02142344

**MITESH GANDHI**  
Managing Director  
DIN: 02142361

**CS SONA BACHANI**  
Company Secretary

**KALUSINH CHAUHAN**  
Chief Financial Officer

Ahmedabad, 15th May 2023

Ahmedabad, 15th May 2023

**MAHICKRA CHEMICALS LIMITED**

**Reg. Office: Plot No. 1209, Phase 3, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India.**

**CIN: L24304GJ2017PLC099781; Phone: 079-48994608**

**Email-ID: [info@mahickra.com](mailto:info@mahickra.com) Website: [www.mahickra.com](http://www.mahickra.com)**

**ATTENDANCE SLIP**

Folio No. / DP ID & Client ID : \_\_\_\_\_

Name & Address : \_\_\_\_\_

Name(s) of the Joint Holder(s), if any : \_\_\_\_\_

No. of shares held : \_\_\_\_\_

I/We hereby record my / our presence at the 06th Annual General Meeting of the members of the Company to be held on Tuesday, August 29, 2023 at 03:00 p.m. at Corporate Office of the Company at Plot No. 1201-1202, Phase 3, GIDC, Vatva, Ahmedabad-382445, Gujarat, India .

<b>Full name of Proxy / Authorised Representative</b>	
<b>Member's / Proxy's / Authorised Representative's Signature</b>	

Signature of shareholder(s)/proxy

Note:

1. A Member / Proxy / Authorised Representative needs to furnish duly signed "Attendance Slip" along with a valid Identity proof such as PAN Card, Passport, Aadhaar-Card or Driving License at the entrance of the meeting hall.
2. Shareholders are requested to indicate their Folio No., DP ID\*, Client ID\*, the Change in their address, if any, to the Registrar & Share Transfer Agents, at Big Share Services Private Limited.
3. Electronic copy of the Annual Report for FY 2022-23 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.





**MAHICKRA CHEMICALS LIMITED**

Reg. Office: Plot No. 1209, Phase 3, GIDC, Vatva, Ahmedabad – 382445, Gujarat, India.

CIN: L24304GJ2017PLC099781; Phone: 079-48994608

Email-ID: [info@mahickra.com](mailto:info@mahickra.com) Website: [www.mahickra.com](http://www.mahickra.com)**FORM NO. MGT-11****PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the  
Companies Management and Administration Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No. / Client ID / DP. ID	
No. of Shares	

I/We, being the Member(s) of the above named company, hereby appoint:

Sr. No.	Name	Address	Email address	Signature	
1					or failing him / her
2					or failing him / her
3					or failing him / her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 06<sup>th</sup> Annual General Meeting of the Company, to be held on 29<sup>th</sup> August, 2023 at 03:00 P.M. at the Corporate Office of the Company and at any adjournment thereof, in respect of such resolutions as are indicated below:

\*\*I wish my above proxy to vote in the manner as indicated in the box below:

Resolution No.	Particulars of Resolution	Optional	
		For	Against
Ordinary Businesses			
1.	To receive, consider and adopt the Audited Balance Sheet as at 31 <sup>st</sup> March, 2023, Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") of the Company for the financial year ended 31 <sup>st</sup> March, 2023 and the Reports of the Board of Directors and the Auditors thereon.		
2.	To appoint a Director in place of Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361), who retires by rotation and being eligible, offers himself for re-appointment as Director.		
3.	Re-appointment of M/s. Singhi & Co., Chartered Accountants as Statutory Auditors of the Company.		
Special Businesses			
4.	Appointment of Mr. Niren Atinbhai Desai (DIN: 10192300) as an Independent Director of the Company.		
5.	Appointment of Mrs. Basari Dhanik Mehta (DIN: 10197176) as an Independent Director of the Company.		
6.	Re-appointment of Mr. Miteshkumar Champaklal Gandhi (DIN: 02142361) as Managing Director and remuneration thereon.		
7.	Re-appointment of Mr. Ashishkumar Champaklal Gandhi (DIN: 02142344) as Whole-Time Director and remuneration thereon.		
8.	Re-appointment of Mrs. Komal Miteshkumar Gandhi (DIN: 02137805) as Whole-Time Director and remuneration thereon.		
9.	Approval for giving loan or guarantee or providing security in connection with loan availed by any of the company's subsidiary(ies) or associate(s) or any other person/entity(ies) specified under Section 185 of the Companies Act, 2013		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Signature of shareholder \_\_\_\_\_

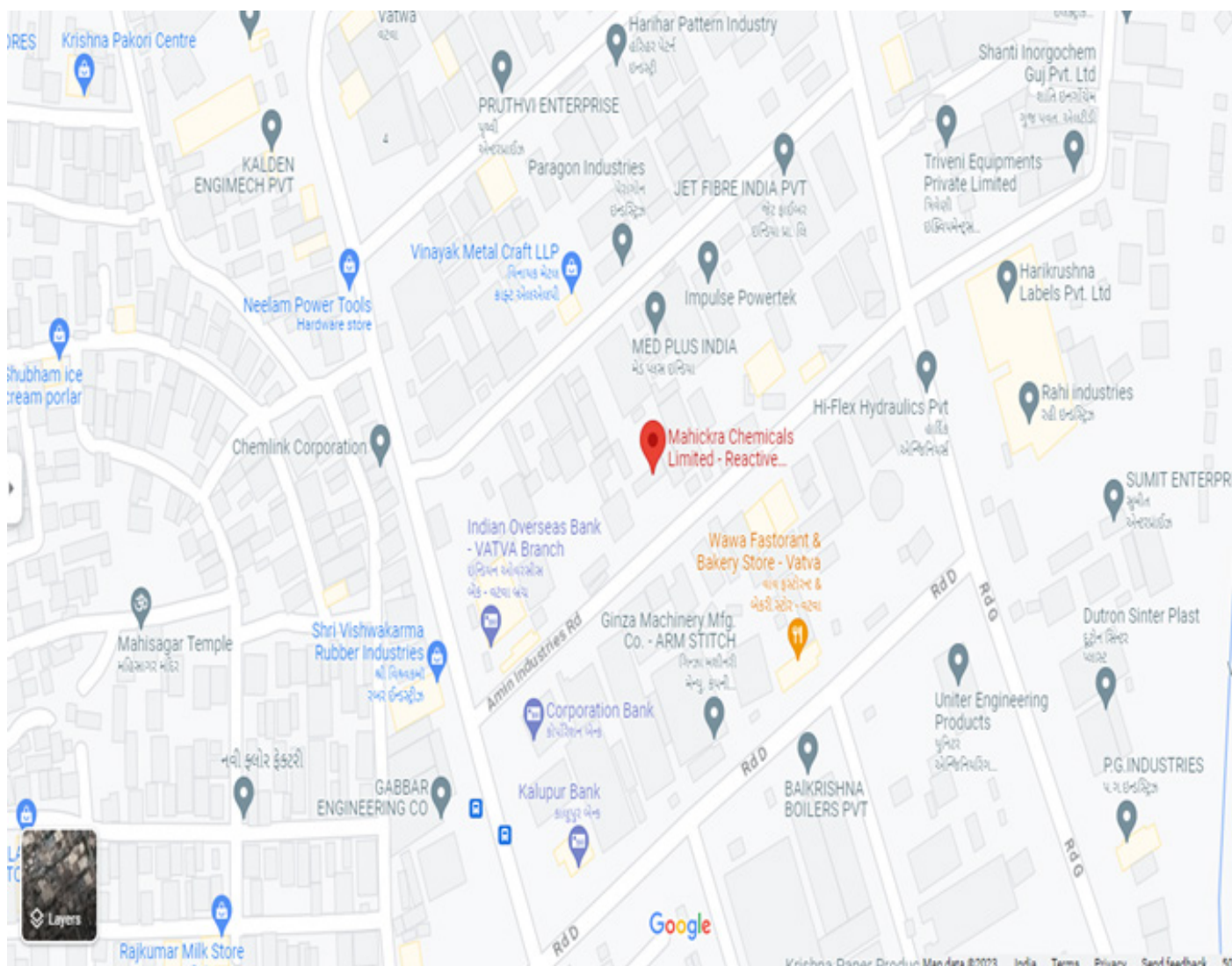
Signature of Proxy holder(s) \_\_\_\_\_

Affix  
One Re.  
Revenue  
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \*\*It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
6. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 06<sup>th</sup> Annual General Meeting.
7. Appointing the proxy does not prevent a shareholder from attending the meeting in person if he so wishes.
8. Please complete all details including details of member(s) in above box before submission.

### ROUTE MAP OF AGM VENUE



[illegible]



## MAHICKRA CHEMICALS LIMITED



Ø ZDHC



**Regd. Office** : Plot No.: 1209, Phase -3, GIDC, Vatva, Ahmedabad-382 445.

**Corp. Office** : Plot No.: 1201-1202, Phase-3, GIDC, Vatva, Ahmedabad-382 445,  
Gujarat, INDIA.



+91-79-48994608



info@mahickra.com, cs@mahickra.com, cfo@mahickra.com

### WIDE RANGE OF APPLICATION

- Direct Printing
- Silicate Dyeing
- Discharge Printing
- Exhaust Dyeing
- Cold Pad Batch Dyeing
- Resist Printing

 [www.mahickra.com](http://www.mahickra.com)