Annual Report
2022-2023

ARCHIT ORGANOSYS LIMITED

CIN: L24110GJ1993PLC019941

ARCHIT ORGANOSYS LIMITED

BOARD OF DIRECTORS	Shri Kandarp Amin	Chairman and Whole Time Director
	Smt. Archana Amin	Whole Time Director
	Shri Archit Amin	Whole Time Director
	Shri Bhupendra Mehta	Independent Director
	Shri Shreeraj Desai	Independent Director
	Shri Nikul Patel	Independent Director
	Shri Bhavin Shah	Additional Director (Category Independent Director) (Appointed w.e.f. 26.06.2023)
	Shri Vatsal Vora	Additional Director (Category Independent Director) (Appointed w.e.f. 26.06.2023)
KEY MANAGERIAL PERSONNEL	Shri Ajay Patel	Chief Financial Officer (Appointed w.e.f. 10.10.2022)
	Shri Vijay Boliya	Company secretary and Compliance Officer

BANKERS — Union Bank of India,
Ellisbridge Branch, Ashram Road, Ahmedabad – 380006

STATUTORY AUDITORS — M/s. G. K. Choksi & Co.,
Ahmedabad

REGISTERED OFFICE & UNIT I — Plot No. 25/9-A, Phase-III, G.I.D.C. Naroda, Ahmedabad 382 330.

UNIT II — Survey No. 228/A, Paiki 7, Paiki 2, Village-Narmad, Bhavnagar-364313

CORPORATE OFFICE — 9th Floor, Venus Benecia, Near Pakwan Restaurant,
Bodakdev, S.G. Highway, Ahmedabad-380054

REGISTRAR AND TRANSFER AGENT — Link Intime India Private Limited
506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre,
Nr. St. Xavier's College Corner, Off, Chimanlal Girdharlal Rd,
Sardar Patel Nagar, Ellisbridge, Ahmedabad, Gujarat 380006

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ARCHIT ORGANOSYS LIMITED
CIN: L24110GJ1993PLC019941
REGD. OFF: Plot No 25/9-A, Phase-III, G.I.D.C. Naroda, Ahmedabad – 382330
Phone: 91-79- 40082447 E-Mail: share@architorg.com

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of Archit Organosys Limited (the Company) will be held at **12:30 P.M. (IST) on Thursday, 31st August, 2023** through two-way Video Conferencing ('VC') facility or other audio-visual means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS:

(1) To receive, consider and adopt the Audited Standalone and Consolidated Financial Statement of the Company including Balance Sheet as at 31st March, 2023, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Directors' and the Auditors' Report thereon.

(2) To declare dividend recommended by Board of Directors at ₹ 0.50/- (5%) per equity share of ₹ 10/- each.

(3) To appoint a Director in place of Shri Kandarp K. Amin (DIN:00038972) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

(4) **To ratify remuneration payable to the Cost Auditors for the financial year 2023-24:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force) remuneration of ₹ 75,000 (Rupees Seventy Five Thousand Only) plus taxes and reimbursement of out-of-pocket expenses, if any, for the financial year ending on 31st March, 2024, as recommended by the Audit Committee and approved by the Board of Directors of the Company to be paid to M/s. Rajendra Patel & Associates, Cost Accountants (FRN: 101163) for conducting the Audit of the Cost records ofthe company be and is hereby ratified and confirmed."

RESOLVED FURTHER THAT any one of the Executive Director of the Company be and is hereby jointly or severally authorized to do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution."

(5) **To Appoint Shri Bhavin Gautamkumar Shah (DIN: 07886304) as an Independent Director of the Company:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the recommendation of Nomination and Remuneration Committee, Shri Bhavin Gautamkumar Shah (DIN: 07886304) who was appointed as an Additional Director of the Company by the Board of Directors (categorized as 'Independent Director') with effect from 26th June, 2023 and who holds office as an Additional Director upto the date of ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from 26th June, 2023.

RESOLVED FURTHER THAT the Board of the Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(6) **To Appoint Shri Vatsal Shaileshbhai Vora (DIN:05271169) as an Independent Director of the Company:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the recommendation of Nomination and Remuneration Committee, Shri Vatsal Shaileshbhai Vora (DIN: 05271169) who was appointed as an Additional Director of the Company by the Board of Directors (categorized as 'Independent Director') with effect from 26th June, 2023 and who holds office as an Additional Director up to the date of ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company and who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from 26th June, 2023.

RESOLVED FURTHER THAT the Board of the Directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(7) **To approve transactions under Section 185 of the Companies Act, 2013:**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (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) authorized by the Board to exercise the powers conferred on the Board under this resolution) for advancing 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 body corporate 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 ₹ 35 Crores [Rupees Thirty Five Crores Only] at any point in time, in its absolute discretion as deem beneficial and in the best interest of the Company."

"RESOLVED FURTHER THAT the powers be delegated to the Board of the Company and the Board is hereby authorized to negotiate, finalize, agree the terms and conditions of the aforesaid loan/guarantee/security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds/documents/undertakings/agreements/papers/writings for giving effect to this Resolution."

(8) **To approve Material Related Party Transaction(s):**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to the Board of Directors to enter into various related party transactions for the period and up to maximum amount as mentioned below:

Name of Related Party	Nature of transaction	Proposed amount of RPT (Rs. in Crore)
Archit Life Science Limited	Selling or otherwise disposing of immovable properties or assets	Maximum amount up to Rs. 6.50 Crore during the FY 2023-24 and 2024-25
	Advancing loan	Maximum amount up to Rs. 10.00 Crore during the FY 2023-24 and 2024-25
	Making Investment	Maximum amount up to Rs. 3.00 Crore during the FY 2023-24 and 2024-25 25

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors and / or any Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise in this regard and to do all acts, deeds, things as may deem necessary, proper, desirable in its absolute discretion and to finalize any documents and writings related thereto.

(9) **To Approve Increase in the Remuneration of Shri Suchit Kandarp Amin, Executive - Business Development (Pharma Division), holding Office or Place of Profit in the Company:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with rules notified there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to increase the remuneration of Shri Suchit Kandarp Amin holding office or place of profit, Executive -Business Development (Pharma Division)of the Company, relative of Whole Time Directors, w.e.f. 01st September, 2023 on the terms and conditions as detailed in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise from time to time during the tenure of the appointment of Shri Suchit Kandarp Amin the remuneration payable to him, without further approval of Members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

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

(10) **To approve increase in the Remuneration of Smt. Shimoli Archit Amin, Export and Finance Manager, holding Office or Place of Profit in the Company:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to increase the remuneration of Smt. Shimoli Archit Amin holding office or place of profit, as Export and Finance Manager of the Company, relative of Whole Time Directors, w.e.f 01st September, 2023 on the terms and conditions as detailed in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise from time to time during the tenure of the appointment of Smt. Shimoli Archit Amin the remuneration payable to her, without further approval of Members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

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

(11) **To Approve Increase in the Remuneration of Smt.Manini Suchit Amin, Project Executive, holding Office or Place of Profit in the Company:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to increase the remuneration of Smt. Manini Suchit Amin, holding office or place of profit, as Project Executive of the Company, relative of Whole Time Directors of the Company, w.e.f 01st September, 2023 on the terms and conditions as detailed in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise from time to time during the tenure of the appointment of Smt. Manini Suchit Amin the remuneration payable to her, without further approval of Members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

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

Place : Ahmedabad	**BY ORDER OF THE BOARD**
Date: 26th June, 2023	**FOR ARCHIT ORGANOSYS LIMITED.**
REGISTERED OFFICE	
PLOT NO. 25/9-A, PHASE III,	**(KANDARP K. AMIN)**
G.I.D.C. NARODA,	**Chairman & Whole Time Director**
AHMEDABAD - 382 330	**DIN: 00038972**

NOTES:

1. Pursuant to Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020,General Circular No. 22/2020 dated June 15, 2020 , General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and other SEBI Circularsand all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
2. Information required to be furnished as required under SS-2 and pursuant to Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015, the particulars of Director who is proposed to be re-appointed is given below:

Name of the Director	Date of Birth	Date of Appoint-ment	Qualification and Expertise in functional areas	Share-holding in the Company	Details of Directorship held in other Companies as on 31.03.2023 alongwith listed Entities from which they has resigned in the past three years.	Details of Membership/ Chairmanship of Committee(s) held in other Companies as on 31.3.2023#	No. of board meetings attended during FY 2022-2023
Shri. Kandarp Amin*	20/08/1957	22/01/2000	Commerce Graduate Expertise:Manufacturing, Export-import business, finance and management. Experience of about 40 years in chemicals and trading business and 25 years in manufacturing of chemicals.	41,91,324 Equity Shares	1. Rajpath Club Limited 2. Archit Life Science Limited	Nil	Nine
Shri Bhavin Shah	06/04/1983	26/06/2023	Manufacturing & Processing Technology and Bachelor of Business Administration Expertise:Manufacturing, Export-import business, finance and management. Experience of about 5 years in Business.	15,150 Equity Shares	Makkam Edu Private Limited	Nil	NA$
Shri Vatsal Vora	10/12/1987	26/06/2023	Bachelor of Commerce and Master in Business Administration Expertise: Marketing, Manufacturing, Finance and management. Experience of about more than 10 years in Business.	Nil	1. Racorr Pack Private Limited 2. Big Box Containers Private Limited	Nil	NA$

*Shri. Kandarp Amin, Whole Time Director of the Company is spouse of Smt. Archana K. Amin, Whole Time Director of the Company and Father of Shri. Archit K. Amin, Whole Time Director of the Company.

under this column, membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee is only considered.

$ Shri Vatsal Shaileshbhai Vora (DIN: 05271169) and Bhavin Gautamkumar Shah (DIN: 07886304) appointed as Additional Directors by the Board w.e.f. 26/06/2023.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (the Act).
4. Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 is annexed hereto and forming part of this notice.
5. The Board of Directors has recommended a final dividend of Rs. 0.50(5%) per fully paid-up equity share of Rs. 10 /- each for the financial year 2022-23.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from **Wednesday, 09th August, 2023 to Tuesday, 15th August, 2023 (both days inclusive).** The dividend if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source (‘TDS’), wherever applicable as under:

   To all the Beneficial Owners as at the end of the day on **Tuesday, 08th August, 2023** as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

   To all Members in respect of **shares held in physical form** after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company/Registrar and Share Transfer Agent on or before the close of business hours of **Tuesday, 08th August, 2023.**
7. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961 (the “IT Act”). In general, to enable compliance with TDS requirements, Members were requested to complete and/or update their Residential Status, Permanent Account Number (“PAN”), Category as per the IT Act with their Depository Participants (“DPs”) or in case shares are held in physical form, with the Company/RTA, by sending documents through e-mail by **Friday, 25th August, 2023.**
8. Pursuant to the provisions of Section 125 of the Companies Act, 2013 the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company, is required to be transferred to the Investor Education and Protection Fund, set up by the Government of India.Kindly note that once unclaimed and unpaid dividends are transferred to the Investor Education and Protection Fund, Members will have to approach to IEPF for such dividend. The details of unpaid dividend are uploaded on the website of the Company at www.architorg.com.
9. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form,are requested to update their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service (“ECS”) or any other means. Members are requested to send hard copies of the following details/ documents to the Company’s Registrar and Share Transfer Agent (“RTA”), viz. LINK INTIME INDIA PVT. LTD. at 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Near St. Xavier’s College Corner, Off C. G. Road, Sardar Patel Nagar, Ahmedabad - 380009,latest by **Friday, 25th August, 2023:**
   a) a signed request letter mentioning your Name, Folio Number, complete address and following details relating to Bank Account in which the dividend is to be received:
      i) Name and Branch of Bank and Bank Account type;
      ii) Bank Account Number and type allotted by your bank after implementation of Core Banking Solutions; and
      iii) 11 digit IFSC Code.
   b) Self-attested copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
   c) Self-attested copy of the PAN Card; and
   d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
10. For Members who are unable to receive the dividend directly in their bank accounts through ECS or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers’ cheque/demand draft to such Members, through postal or courier services.
11. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State

or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/ Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a certified true scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company at share@architorg.com. Institutional investors are encouraged to attend and vote at the meeting through VC.

12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company.The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.

13. SEBI vide its circular dated 30th May, 2022, has provided SOP effective from 1st June, 2022, for resolving disputes between the Company and its all shareholders through the stock exchange arbitration mechanism. In furtherance to this, SEBI directed listed companies to inform its physical shareholders availability of said dispute resolution mechanism through emails or SMS on their mobile. Company has accordingly informed to its physical shareholders whose email ID or mobile no. registered with the company regarding availability of said dispute resolution mechanism. Investor may note that the said SOP is available on the website of the stock exchange and the Company.

14. The Register maintained under Section 170 and Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Further, all the documents referred to in the Notice will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to share@architorg.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 28th August, 2023 (10:00 A.M.) to Wednesday, 30th August, 2023 (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. Thursday, 24th August, 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 Thursday, 24th August, 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:

Step 1: Access to NSDL e-Voting system:

A) Login method for e-Voting and joining virtual meeting 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.**	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider** i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with **CDSL**	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi. 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 remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
   c) How to retrieve your ‘initial password’?
      (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
   a) Click on “**Forgot User Details/Password**?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
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 evoting@parikhdave.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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to **Ms. Pallavi Mhatre, Senior Manager**, NSDL, Address: Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013 Email ID: 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 share@architorg.com.
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 share@architorg.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting 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.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

THE MANNER IN WHICH PERSONS WHO HAVE ACQUIRED SHARES AND BECOME MEMBERS OF THE COMPANY AFTER THE DISPATCH OF NOTICE MAY OBTAIN THE LOGIN ID AND PASSWORD:-

Any person who acquires shares and becomes shareholder of the Company after dispatch of the notice and holding shares as of the cut-off date may cast their votes by following the instructions and process of e-voting as provided above.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at share@architorg.com. The same will be replied by the company suitably.
6. The Board of Directors has appointed Mr. Umesh Parikh or failing him, Mr. Uday Dave partners of M/s. Parikh and Associates, Company Secretaries as Scrutinizer to scrutinize the voting at the AGM and remote e-Voting process, in a fair and transparent manner.
7. Shareholder who would like to speak at AGM may register themselves as speaker at AGM by sending email at share@architorg.com along with their questions/query 7 days before the date of 30th AGM mentioning their name demat account number/folio number, email id, mobile number.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

EXPLANATORY STATEMENT
PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the businesses mentioned in the accompanying Notice.

ITEM NO. 4: To ratify remuneration payable to the Cost Auditors for the financial year 2023-24:

The Board at its meeting held on 17th June, 2023, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of Rajendra Patel & Associates, Cost Accountants, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2024.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.75,000 (Rupees Seventy-Five Thousand) plus applicable taxes and out of pocket expenses payable to the Cost Auditor payable to the Cost Auditor is required to be ratified by the shareholders.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2024.

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. 4 of the accompanying Notice of the AGM.

The Board recommends the resolution at Item no.4 to be passed with or without modification as an Ordinary Resolution.

ITEM NO. 5:To Appoint Shri Bhavin Gautamkumar Shah (DIN: 07886304) as Independent Director of the Company:

Shri Bhavin Gautamkumar Shah (DIN: 07886304)has been appointed as an Additional Director (Categorized as Independent Director) of the Company by the Board of Directors w.e.f. 26th June, 2023 as recommended by Nomination and Remuneration Committee of the Board. He holds office upto the date of this ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company.

The Company has received from him (i) Consent to act as Director (ii) Declaration of disqualification (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) ofthe Act read with Regulation 16 of the SEBI (LODR) Regulations, 2015, as amended(iv) Confirmation in terms of Regulation 25(8) of the SEBI (LODR) Regulations, 2015that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties and (v) Declaration that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority (vi) Disclosure of Interest.

Shri Bhavin Gautamkumar Shah holds a Diploma in Textile Manufacturing & Processing Technology from the Surat Technical Education & Research Society and holds degree of Bachelor of Business Administration from Worchester University, London.

He is a Director of Makkam Edu Private Limited since 06/11/2017. He is actively engaged in the managing this Company since incorporation. He is not a member or chairman of any of the Committee of the Companies. He has more than 5 years of experience in business. He is instrumental in taking major policy decision of the Company Makkam Edu Private Limited. He is playing vital role in formulating financial strategies and effective implementation of the same. He alongwith his relative is holding 25,150 equity shares in the Company.

Considering his expertise and competencies, your Directors thought it desirable to avail his services. Therefore, the Board recommends his appointment as an Independent Director for the term of 5 years w.e.f. 26th June, 2023 and passing of the proposed Ordinary Resolution.The terms and conditions of appointment of Independent Directors are available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to share@architorg.com.

Shri Bhavin Gautamkumar Shah being an appointee and his relatives are interested in the proposed resolution. None of the other Directors, Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution at Item no. 5 to be passed with or without modification as an Ordinary Resolution.

ITEM NO. 6: To Appoint Shri Vatsal Shaileshbhai Vora (DIN: 05271169) as Independent Director of the Company:

Shri Vatsal Shaileshbhai Vora (DIN: 05271169) has been appointed as an Additional Director (Categorized as Independent Director) of the Company by the Board of Directors w.e.f. 26th June, 2023 as recommended by Nomination and Remuneration Committee of the Board. He holds office upto the date of this ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company.

The Company has received from him (i) Consent to act as Director (ii) Declaration of disqualification (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 of the SEBI (LODR) Regulations, 2015, as amended(iv) Confirmation in terms of Regulation 25(8) of the SEBI (LODR) Regulations, 2015 that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties and (v) Declaration that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority (vi) Disclosure of Interest.

Shri Vatsal Shaileshbhai Vora holds a degree of Bachelor of Commerce from Symbiosis University, Pune and holds degree of Master in Business Administration from University of Tampa, USA. He is associated with Asean Box Corporation from 2012 which is one of the best corrugation plants in the country.

He is a Director of Big Box Containers Private Limited and Racorr Pack Private Limited since 04/05/2012 and 09/08/2021 respectively which is engaged in the Manufacturing of Packaging material.

He is actively engaged in the managing these Companies since incorporation. He is not a member or chairman of any of the Committee of the Companies. He has more than 10 years of experience in business. He is instrumental in taking major management decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same.

Considering his expertise and competencies, your Directors thought it desirable to avail his services. Therefore, the Board recommends his appointment as an Independent Director for the term of 5 years w.e.f. 26th June, 2023 and passing of the proposed Ordinary Resolution. The terms and conditions of appointment of Independent Directors are available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to share@architorg.com.

Except Shri Vatsal Vora being an appointee, none of the other Directors, Key Managerial Personnel of the Company and/ or their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution at Item no. 6 to be passed with or without modification as an Ordinary Resolution.

ITEM NO. 7: To approve transactions under Section 185 of the Companies Act, 2013:

This item relates to granting of loan or providing guarantee to, or security in connection with any loan taken by the Body corporate in which Directors are interested.

The Company may have to render support for the business requirements of its present or future Subsidiary Companies or Associate or Joint Venture, if any or group entities or any other Body Corporates in whom any of the Director of the Company is deemed to be interested (collectively referred to as the “Entities”), from time to time. Pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of ‘a person in whom any of the director of the Company is interested)’ as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a special resolution in the general meeting.

In view of the above and in line with the approval of the shareholders accorded under section 186 of the Act in last AGM & as an abundant caution, the Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for advancing loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for the commencement/ expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities. This will also enable the Company to provide the requisite corporate guarantee or security in relation to raising of loans / debentures / bonds etc. by the said subsidiary(ies) / associates / JV Companies/ body corporates, as and when it is raised.

Interested Shareholders would not be eligible to vote on the said resolution in term of Section 185 of the Companies Act, 2013 and SEBI Regulations. The Board recommends the resolution at Item no. 7 to be passed with or without modification as a Special Resolution.

Except Mr. Kandarp Krishnakant Amin (DIN: 00038972), Mrs. Archana Kandarp Amin (DIN: 00038985), Mr. Archit Kandarpbhai Amin (DIN: 01681638) and their relative(s), none of the other Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution.

ITEM NO. 8:To Approve Material Related Party Transaction(s):

Pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to obtain consent of the Members by passing ordinary resolution, in case if certain transactions with related parties exceeds prescribed amount as specified in specified legislations. The Company is likely to enter into transactions with the following related parties. As the value of transactions may exceeds the limit prescribed under the provisions of the Companies Act, 2013 and SEBI Regulations, it is thought advisable to get approval of the members by way of an ordinary resolution.

1. **Name of the related parties with the name of Director or Key Managerial Personnel who is related, if any and Nature of relationship:**

Name of Related Party	Name of Interested Director or KMP	Nature of relationship and Shareholding in other Company	Nature of transaction	Proposed amount of RPT (₹ in Crore)	% the Company's annual consolidated turnover	Subsidiary's annual turnover
Archit Life Science Limited	**Shri Kandarp Amin** Whole Time Director (DIN: 00038972) **Smt. Archana Amin** Whole Time Director (DIN: 00038985) **Shri Archit Amin** Whole Time Director (DIN: 01681638)	Shri Kandarp Amin and Shri Archit Amin are directors of Archit Life Science Limited. Shareholding of interested director in Archit Life Science Limited: **Name** / **Shares** / **% of holding** Kandarp Amin / 8,000 / 8% Archit Amin / 8,000 / 8% Archana Amin / 8,000 / 8%	Selling or otherwise disposing of immovable properties or assets	Maximum amount up to Rs. 6.50 Crore during the FY 2023-24 and 2024-25	5.09%	Not applicable
			Advancing loan	Maximum amount up to Rs. 10.00 Crore during the FY 2023-24 and 2024-25	7.83%	
			Making Investment	Maximum amount up to Rs. 3.00 Crore during the FY 2023-24 and 2024-25	2.35%	

2. **Nature, material terms, monetary value and particulars of the contract or arrangement:**

Nature of transactions, period of the transactions and monetary value of the transactions are referredin the Resolution.

Except Mr. Kandarp Krishnakant Amin (DIN: 00038972), Mrs. Archana Kandarp Amin (DIN: 00038985), Mr. Archit Kandarpbhai Amin (DIN: 01681638) Whole Time Directors and their relative, none of the others Directors and Key Managerial Personnel and / or their relative are concerned or interested financially or otherwise inproposed resolution.

Other Disclosures:

Sr.No.	Particulars	Details
1.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided):	Details Provided in above table.
2.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, - nature of indebtedness; - cost of funds: - tenure;	Internal accrual N.A. I. Tenure - Short Term (less than one year) II. Interest rate - benchmarked with other banks. III.Currency - INR

	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security: iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT:	Security - unsecured Use for their principal business activity.
3.	Justification as to why the RPT is in the interest of the listed entity:	Arrangement is commercially beneficial
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	For transaction relating to sale of property, the valuation report has been received from Govt. Regd. valuer dtd. 11/05/2023. The same can be made available to the shareholders upon request on their regd.
5.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	Not Applicable

3. Any other information relevant or important for the members to take a decision on the proposed resolution:

Above related entity is involved in the business of manufacturing chemicals namely ethyl acetate, butyl acetate, propyl acetate, acetaldehyde and acetic anhydride and other Chemicals. Your Company is also involved in same business hence your Company is able to take advantage of the large volumes at a better negotiated price for its comparatively smaller volume.

Interested Shareholders would not be eligible to vote on the said resolution in term of Section 188 of the Companies Act, 2013 and SEBI Regulations. The Board of Directors recommends passing of the resolution as set out in this Notice at item no. 8 as an Ordinary Resolution.

ITEM NO. 9: To Approve Increase in the Remuneration of Shri Suchit Kandarp Amin, Executive -Business Development (Pharma Division) for Office or Place of Profit in the Company:

Shri Suchit Kandarp Amin has been associated since long as Executive -Business Development (Pharma Division) with the company and considering his experience, knowledge, skills and his valuable contribution towards the company the Board of Directors, upon the recommendation of Nomination and Remuneration Committee and upon approval of Audit Committee at their meeting held on 26th June, 2023 approved the increment in remuneration payable to him with effect from 01st September, 2023 subject approval of members in ensuing general meeting on following terms:

a) Basic Salary:

Salary plus allowances with different breakup be payable on monthly / yearly basis within overall limit not exceeding ₹ 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) per month. Annual increment maximum upto 30% of last remuneration depending upon work performance, working of the Company etc. as may be decided by the Nomination and Remuneration Committee of the Board from time to time.

b) Perquisites:

In addition to the basic salary as described in (a) above, he shall be eligible for the following perquisites:

Basic Perquisites:

(i) Provident Fund: Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity: The Company shall pay gratuity as per the Company's Rules.

(iii) Encashment of leave at the end of the tenure

Other Perquisites:

(i) Medical Reimbursement: Expenses incurred for self and family subject to the ceiling of one month's salary per year which can be carried forward for 3 years.

(ii) Leave travel concession: For self and family once in a year within such limits as may be approved by the Nomination and Remuneration Committee from time to time.

(iii) Bonus / Ex-gratia payments: The Company shall pay as per the rules of the Company.

(iv) The Company shall pay the residence telephone expenses, however the long distance personal call shall be billed by the Company.

(v) He shall be entitled to the benefits under all the other schemes, privileges and amenities as are granted to the other senior executives of the Company in accordance with the company's practice, rules, and regulations in force from time to time.

c) Contribution to Pension Scheme (NPS) the Company may contribute in Pension Scheme as per the Company's rules.

d) For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 disclosures on Related Party Transaction Approval:

1. **Name of the related parties with the name of Director or Key Managerial Personnel who is related, if any and Nature of relationship:**

Name of Related Parties	Name of Interested Director or KMP	Nature of relationship
Shri Suchit Kandarp Amin	**Shri Kandarp Amin** Whole Time Director (DIN: 00038972)	Shri Suchit Kandarp Amin is a son of Shri Kandarp K. Amin and Smt. Archana Amin, Whole Time Directors and Brother of Shri Archit Amin, Whole Time Director.
	Smt. Archana Amin Whole Time Director (DIN: 00038985)	
	Shri Archit Amin Whole Time Director (DIN: 01681638)	

2. **Nature, material terms, monetary value and particulars of the contract or arrangement:**

Nature of transactions, period of the transactions and monetary value of the transactions are referred in the Resolution and Explanatory Statement.

Except Mr. Kandarp Krishnakant Amin (DIN: 00038972), Mrs. Archana Kandarp Amin (DIN: 00038985), Mr. Archit Kandarpbhai Amin (DIN: 01681638) Whole Time Directors and their relative, none of the others Directors and Key Managerial Personnel and / or their relative are concerned or interested financially or otherwise in proposed resolution.

Other Disclosures:

Sr.No.	Particulars	Details
1.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided):	0.35%
2.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
3.	Justification as to why the RPT is in the interest of the listed entity:	With his experience and skills the Company has been benefitted and will continue get benefits
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not Applicable
5.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	Not Applicable

3. **Any other information relevant or important for the members to take a decision on the proposed resolution:**

Pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to obtain consent of the Members by passing ordinary resolution, in case if certain transactions with related parties exceeds prescribed amount as specified in Rules. Payment of Remuneration to Shri Suchit Kandarp Amin exceeds prescribed amount as specified in Rules. As the value of transactions exceeds the limit prescribed under the provisions of the Companies Act, 2013 it is thought advisable to get approval of the members by way of an ordinary resolution.

Interested Shareholders would not be eligible to vote on the said resolution in term of Section 188 of the Companies Act, 2013 and SEBI Regulations. The Board recommends the Ordinary Resolution set out in Item No. 9 of the Notice for approval of the Members.

ITEM NO. 10: To Approve Increase in the Remuneration of Smt. Shimoli Archit Amin, Export and Finance Manager for Office or Place of Profit in the Company:

Smt. Shimoli Archit Amin has been associated since long as Export and Finance Manager with the company and considering her experience, knowledge, skills and her valuable contribution towards the company the Board of Directors, upon the recommendation of Nomination and Remuneration Committee and upon approval of Audit Committee at their meeting held on 26th June, 2023 approved the increment in remuneration payable to her with effect from 01st September, 2023 subject approval of members in ensuing general meeting on following terms:

a) Basic Salary:

Salary plus allowances with different breakup be payable on monthly / yearly basis within overall limit not exceeding ₹ 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) per month. Annual increment maximum up to 30% of last remuneration depending upon work performance, working of the Company etc. as may be decided by the Nomination and Remuneration Committee of the Board from time to time.

b) Perquisites:

In addition to the basic salary as described in (a) above, she shall be eligible for the following perquisites:

Basic Perquisites:

(i) Provident Fund: Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity: The Company shall pay gratuity as per the Company's Rules.

(iii) Encashment of leave at the end of the tenure

Other Perquisites:

(i) Medical Reimbursement: Expenses incurred for Self and family subject to the ceiling of one month's salary per year which can be carried forward for 3 years.

(ii) Leave travel concession: For self and family once in a year within such limits as may be approved by the Nomination and Remuneration Committee from time to time.

(iii) Bonus / Ex-gratia payments: The Company shall pay as per the rules of the Company.

(iv) The Company shall pay the residence telephone expenses, however the long distance personal call shall be billed by the Company.

(v) She shall be entitled to the benefits under all the other schemes, privileges and amenities as are granted to the senior executives of the Company in accordance with the company's practice, rules, regulations in force from time to time.

c) Contribution to Pension Scheme (NPS) the Company may contribute in Pension Scheme as per the Company's rules.

d) For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 disclosures on Related Party Transaction Approval:

1. Name of the related parties with the name of Director or Key Managerial Personnel who is related, if any and Nature of relationship:

Name of Related Parties	Name of Interested Director or KMP	Nature of relationship
Smt. Shimoli Archit Amin	**Shri Kandarp Amin** Whole Time Director (DIN: 00038972)	Smt. Shimoli Archit Amin is a Daughter in Law of Shri Kandarp K. Amin and Smt. Archana Amin, Whole Time Directors and Wife of Shri Archit Amin, Whole Time Director.
	Smt. Archana Amin Whole Time Director (DIN: 00038985)	
	Shri Archit Amin Whole Time Director (DIN: 01681638)	

2. Nature, material terms, monetary value and particulars of the contract or arrangement:

Nature of transactions, period of the transactions and monetary value of the transactions are referred in the Resolution and Explanatory Statement.

Except Mr. Kandarp Krishnakant Amin (DIN: 00038972), Mrs. Archana Kandarp Amin (DIN: 00038985),Mr. Archit Kandarpbhai Amin (DIN: 01681638) Whole Time Directors and their relative, none of the others Directors and Key Managerial Personnel and / or their relative are concerned or interested financially or otherwise inproposed resolution.

Other Disclosures:

Sr.No.	Particulars	Details
1.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided):	0.35%
2.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
3.	Justification as to why the RPT is in the interest of the listed entity:	With her experience and skills the Company has been benefitted a lot and will continue get benefits.

4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not Applicable
5.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	Not Applicable

3. Any other information relevant or important for the members to take a decision on the proposed resolution:

Pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rules notified thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to obtain consent of the Members by passing ordinary resolution, in case if certain transactions with related parties exceeds prescribed amount as specified in Rules. Payment of Remuneration to Smt. Shimoli Archit Amin exceeds prescribed amount as specified in Rules. As the value of transactions exceeds thelimit prescribed under the provisions of the Companies Act, 2013 it is thought advisable to get approval of the members by way of an ordinary resolution.

Interested Shareholders would not be eligible to vote on the said resolution in term of Section 188 of the Companies Act, 2013 and SEBI Regulations. The Board recommends the Ordinary Resolution set out in ItemNo. 10 of the Notice for approval of the Members.

ITEM NO. 11: To Approve Increase in the Remuneration of Smt. Manini Suchit Amin, Project Executive for Office or Place of Profit in the Company:

Smt. Manini Suchit Amin has been associated since long as Project Executive with the company and considering her experience, knowledge, skills and her valuable contribution towards the company the Board of Directors, upon the recommendation of Nomination and Remuneration Committee and upon approval of Audit Committee at their meeting held on 26th June, 2023 approved the increment in remuneration payable to her with effect from 01st September, 2023 subject approval of members in ensuing general meeting on following terms:

a) Basic Salary:

Salary plus allowances with different breakup be payable on monthly / yearly basis within overall limit not exceeding ₹ 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) per month. Annual increment maximum up to 30% of last remuneration depending upon work performance, working of the Company etc. as may be decided by the Nomination and Remuneration Committee of the Board from time to time.

b) Perquisites:

In addition to the basic salary as described in (a) above, she shall be eligible for the following perquisites:

Basic Perquisites:

(i) Provident Fund: Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity: The Company shall pay gratuity as per the Company's Rules.

(iii) Encashment of leave at the end of the tenure

Other Perquisites:

(i) Medical Reimbursement: Expenses incurred for Self and family subject to the ceiling of one month's salary per year which can be carried forward for 3 years.

(ii) Leave travel concession: For self and family once in a year within such limits as may be approved by the Nomination and Remuneration Committee from time to time.

(iii) Bonus / Ex-gratia payments: The Company shall pay as per the rules of the Company.

(iv) The Company shall pay the residence telephone expenses, however the long distance personal call shall bebilled by the Company.

(v) She shall be entitled to the benefits under all the other schemes, privileges and amenities as are granted to the senior executives of the Company in accordance with the company's practice, rules, regulations in force from time to time.

c) Contribution to Pension Scheme (NPS) the Company may contribute in Pension Scheme as per the Company's rules.

d) For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 disclosures on Related Party Transaction Approval:

1. **Name of the related parties with the name of Director or Key Managerial Personnel who is related, if any and Nature of relationship:**

Name of Related Parties	Name of Interested Director or KMP	Nature of relationship
Smt. Manini Suchit Amin	**Shri Kandarp Amin** Whole Time Director (DIN: 00038972)	Smt. Manini Suchit Amin is a Daughter in Law of Shri Kandarp K. Amin and Smt. Archana Amin, Whole Time Directors
	Smt. Archana Amin Whole Time Director (DIN: 00038985)	

2. **Nature, material terms, monetary value and particulars of the contract or arrangement:**

Nature of transactions, period of the transactions and monetary value of the transactions are referredin the Resolution and Explanatory Statement.

Except Mr. Kandarp Krishnakant Amin (DIN: 00038972) and Mrs. Archana Kandarp Amin (DIN: 00038985), and their relative, none of the others Directors and Key Managerial Personnel and / or their relative are concerned or interested financially or otherwise inproposed resolution.

Other Disclosures:

Sr.No.	Particulars	Details
1.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided):	0.35%
2.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
3.	Justification as to why the RPT is in the interest of the listed entity:	With her experience and skills the Company has been benefitted a lot and will continue get benefits.
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not Applicable
5.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	Not Applicable

3. **Any other information relevant or important for the members to take a decision on the proposed resolution:**

Pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and rulesnotified thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to obtain consent of the Members by passing ordinary resolution, in case if certain transactions with related parties exceeds prescribed amount as specified in Rules. Payment of Remuneration to Smt. Manini Suchit Amin exceeds prescribed amount as specified in Rules. As the value of transactions exceeds the limit prescribed under the provisions of the Companies Act, 2013 it is thought advisable to get approval ofthe members by way of an ordinary resolution.

Interested Shareholders would not be eligible to vote on the said resolution in term of Section 188 of the Companies Act, 2013 and SEBI Regulations. The Board recommends the Ordinary Resolution set out in ItemNo. 11 of the Notice for approval of the Members.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 30th Annual Report together with the Audited Standalone and Consolidated Financial Statement for the year ended on 31st March,2023.

FINANCIAL RESULTS:

The operating results of the Company for the year ended on 31st March, 2023 are briefly indicated below:

(₹ in lacs)

	Standalone		Consolidated	
	2022-23	**2021-22**	**2022-23**	**2021-22**
Total Income	12 970.66	13 982.08	12 964.34	13 982.08
Operating Cost including Depreciation	11 371.13	12471.84	11 372.63	12471.84
Financial Expenses	220.91	244.05	220.91	244.05
Total Expenses	**11592.04**	**12839.55**	**11 593.54**	**12839.55**
Profit before Taxation and Exceptional Item	**1378.62**	***1142.53***	**1370.80**	**1142.53**
Exceptional Item	**(164.96)**	***0.00***	**(164.96)**	***0.00***
Profit before Taxation	**1543.58**	***1142.53***	**1535.76**	**1142.53**
Provision for taxation - For Current Tax	265.00	145.00	265.00	145.00
Provision for taxation - For Deferred Tax	268.99	312.20	268.99	312.20
MAT credit Entitlement	(133.13)	(137.82)	(133.13)	(137.82)
Profit after Taxation	**1 142.72**	***823.15***	**1 134.90**	**823.15**

DIVIDEND AND TRANSFER TO RESERVES:

An amount of Standalone net profit of ₹ 1,142.72 lakhs (previous year ₹ 823.15 lakhs) and Consolidated net profit of ₹ 1,134.90 lakhs (previous year ₹ 823.15 lakhs) is proposed to be held as Retained Earnings.

Your Directors have recommended a dividend of ₹ 0.50 (5%) per share [Previous Year ₹ 0.75/- (7.50%) per equity share] of ₹ 10/- each for the approval of the Members at the ensuing 30th Annual General Meeting.

STATE OF THE AFFAIRS OF THE COMPANY & FUTURE PROSPECTS:

With the consistent performance and sheer dedication, the Company was stable in performance. Not only, the Company was able to continue the momentum of earning profit but has shown outstanding performance by reaching the bottom line profits of ₹ 1,543.58 Lakhs as compared to ₹ 1,142.54 Lakhs in the previous financial year.

Total revenue from Operations of the Company for fiscal year 2023 reduced to ₹ 12,970.66 Lakhs as against ₹ 13,982.08 Lakhs for fiscal year 2022, showing a reduction of 7.23% however Company's Net profit after Tax (PAT) is ₹ 1142.72 lakhs for fiscal year 2023 against Profit of ₹ 823.15 lakhs for fiscal year 2022 i.e. increase by 38.82%.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE CONCLUSION OF THE FINANCIAL YEAR TILL THE END OF THIS REPORT:

There has been no other material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this report.

Archit Life Science Limited (ALSL) ceased to be a wholly owned subsidiary of the company after conclusion of financial year ended on 31/03/2023. The Company is holding 19% of share capital of ALSL.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure A** which is attached to this report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

A report on Management Discussion and Analysis (MDA) is annexed to this report as **Annexure B**, inter-alia deals adequately with the operations and also current and future outlook of the Company.

SHARE CAPITAL

As on March 31, 2023, the paid up capital of the Company was ₹ 20,52,07,230/- divided into 2,05,20,723 equity shares of ₹ 10/- each. During the year under review there is no issue of equity shares with/ without differential Rights, sweat equity shares, Stock Option etc., hence there was no change in the capital structure of the Company.

DEPOSITS:

The Company has not accepted or renewed any deposits from public falling within the purview of Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

LOAN FROM DIRECTOR:

The company has taken temporary loan from Smt. Archana K. Amin, Whole Time Director of the Company of ₹ 225.00 lakhs which was repaid before closure of financial year under review. Except this the Company has not raised any loan from Directors.

CORPORATE GOVERNANCE REPORT:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on “Corporate Governance” is attached as an **Annexure C** and forms part of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Composition of Board is in compliance with requirement of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Company shall have at least one woman director on the board of the Company. Your company has Mrs. Archana Amin as Director on the board since 01/04/2009, who is presently the whole-time director of your Company.

Pursuant to the provisions of Section 152 and other applicable provisions if any, of the Companies Act, 2013, Shri Kandarp K. Amin (DIN:00038972), Whole Time Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and he being eligible offers himself for re-appointment.

Since the second term of appointment Shri Bhupendra Vishnuprasad Mehta as an Independent Director (DIN: 00133677) will expire on 31/03/2024, he will not be eligible for re-appointment. Thus, it is thought advisable to appoint Independent Director at the forthcoming Annual General Meeting. The Board of Directors has appointed Shri Bhavin Gautamkumar Shah (DIN: 07886304) and Shri Vatsal Shaileshbhai Vora (DIN: 05271169) as Independent Directors for the term of five years w.e.f. 26/06/2023 subject to approval of shareholders.

Necessary resolution for appointment of aforesaid Directors have been proposed at ensuing Annual General Meeting for getting consent of members. Their appointments are appropriate and in the best interest of the Company. Details of Director seeking re-appointment as required under the Listing Regulations are provided in the Notice forming part of this Annual Report.

Your Directors recommends passing of resolutions.

There was no change in the composition of the Board of Directors during the financial year under review however following changes in KMP were taken place during the Year:

1. Shri Gajendra Sigh Rajput has resigned from the office of Chief Financial Officer w.e.f. 10/10/2022

2. Shri Ajay Patel has been appointed as Chief Financial Officer of the Company w.e.f. 10/10/2022

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

1. Shri Kandarp Amin-Chairman and Whole Time Director

2. Shri Archana Amin - Whole Time Director

3. Shri Archit Amin - Whole Time Director

4. Shri Ajay Patel - Chief Financial Officer

5. Mr. Vijay Boliya–Whole Time Company Secretary

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

DISCLOSURE ABOUT RECEIPT OF ANY COMMISSION BY MD/WTD FROM A COMPANY AND ALSO RECEIVING COMMISSION / REMUNERATION FROM ITS HOLDING OR SUBSIDIARY PURSUANT TO SECTION 197(14) OF THE ACT.

The Whole time Directors are not receiving any commission/ remuneration from Subsidiary Company. The Company does not have any holding company.

DISCLOSURE ON REAPPOINTMENT OF INDEPENDENT DIRECTOR PURSUANT TO SECTION 149(10):

This clause is not applicable to the company during the financial year under review.

ANNUAL RETURN:

Pursuant to Section 92 of the Act read with the applicable Rules, the Annual Return for the year ended 31st March, 2023 will be accessed on the Company's website at https://www.architorg.com/investorrelations/invester_comunication/2023/Annual%20Return%20MGT-7%20for%20FY%202022-23.pdf

NAME OF THE COMPANIES WHICH HAVE BECOME / CEASED TO BE SUBSIDIARIES, JOINT VENTURES, ASSOCIATE COMPANY:

During the financial year under review, the company has incorporated Archit Life Science Limited as wholly owned subsidiary of the Company. The Company does not have any joint Ventures and Associate Company during the financial year under review.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES / JOINT VENTURE / ASSOCIATE COMPANY:

The Wholly owned subsidiary of the Company has not started its business as on closure of financial year under review. Details of Subsidiary in prescribed format of AOC-1 has been attached herewith as **Annexure D**.

DIRECTORS' RESPONSIBILITY STATEMENT :

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

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

ii. they have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2023 and of the profit of the Company for the year under review;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the accounts for the period ended on 31st March, 2023 on a going concern basis.

v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF BOARD MEETINGS:

During the year the Board of Directors duly met Nine(9) times. The details of the Board Meetings are provided in the Corporate Governance Report which has been annexed as **Annexure C** to the Report.

INSURANCE:

The properties and assets of the Company are adequately insured.

DECLARATION BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the Independent Directors of the Company under Section 149 (6) of the Companies Act, 2013, the Board hereby confirms that all the Independent Directors have given declarations and further confirms that they meet the criteria of Independence as per the provisions of Section149(6) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent to the Management of the Company.

PERFORMANCE EVALUATION OF THE BOARD COMMITTEES AND INDEPENDENT DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and Rules framed thereunder read with Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 formal annual evaluation is to be made by the Board of its own performance and that of its Committees and Individual Directors. The Board after taking into consideration the criteria of evaluation laid down by the Nomination and Remuneration Committee in its policy such as Board Composition, level of involvement, performance of duties, attendance etc. had evaluated its own performance, the performance of its committees and Independent Directors (excluding the Director being evaluated).

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on 14th June, 2022. The Directors expressed their satisfaction with the evaluation process.

POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION:

Pursuant to the requirements of the Companies Act, 2013, the policy on appointment of Board Members and policy on remuneration of the Directors, KMPs and other employees is attached as **Annexure E** to this report.

SECRETARIAL AUDIT REPORT:

M/s. Chetan Patel & Associates, Practicing Company Secretaries, was appointed as Secretarial Auditor of the Company to conduct secretarial auditfor the financial year 2022-23 pursuant to the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them is attached as **Annexure F** to this report.

COMMENT OF BOARD ON SECRETARIAL AUDITORS' OBSERVATIONS:

With respect to observations of the Secretarial Auditors'

1. The Company was maintaining the Structured Digital Database in MS excel format till 15th November, 2022 thereafter the Company has been maintaining the Structured Digital Database in strict compliance with applicable regulations.
2. Regarding intimation to Stock exchange about the issue of duplicate Share Certificate to shareholders of the Company, Company was intimating Stock Exchange regarding loss of the share certificates, now also started separate intimation to Stock Exchange regarding issue of duplicate share certificate(s).
3. So far content of the Corporate Governance Report, the Board has taken note of the observation and decided to report on item(s) which may not be applicable to the Company for period under review. Board has already placed corrigendum in this regard on the website.
4. So far content of the Directors' Report, the Board has taken note of the observation and decided to report on item(s) which may not be applicable to the Company for period under review.
5. Due MCA technical issue few forms which are required to be filed under provisions of Companies Act, 2013 with Ministry of Corporate Affairs have been filed after due date.
6. Due to oversight, reference of the DIN has not been provided with the name of the Director in few of the resolutions.

CONTRACTS OR AGREEMENTS WITH RELATED PARTIES:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2013 all the contracts and arrangements with related parties entered by the Company during the financial year were in ordinary course of business and on arms' length basis. Details of the transactions are as mentioned in **Annexure G.**

During the year the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in Ind AS-24 which is forming the part of the notes to financial Statement.

The policy on Related Party Transactions has been uploaded on the website i.e. https://www.architorg.com/investorrelations/Related%20Party%20transactions.pdf.

The Board of Directors of the Company has proposed the approval for resolution pertaining to Material Related Party Transactions in the 30th AGM of members of the Company.

DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Details pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure H** of this report.

The statement containing particulars of employees as required under section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by members at the registered office of the Company during business hours on working days of the Company up to the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in thisregard at share@architorg.com.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:

The Company has adopted internal control system considering the nature of its business and the size and complexity of operations. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures etc. The management is taking further steps to strengthen the internal control system.

CHANGE IN THE NATURE OF BUSINESS

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

CORPORATE SOCIAL RESPONSIBILITY:

Your Company has always laid emphasis on progress with social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle the Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities. The Board has approved a policy for Corporate Social Responsibility and same has been uploaded on the website i.e. https://www.architorg.com/investorrelations/policy/2023/CSR%20Policy.pdf.

As required under Section 135 of the Companies Act, 2013 and to demonstrate the responsibilities towards Social upliftment in structured way, the Company has formed a Policy to conduct the task under CSR, during the year.

The Annual Report on Corporate Social Responsibility (CSR) Activities alongwith Annexure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 and content of CSR policy is annexed as a separate **Annexure–I**.

The details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year has been mentioned in the **Annexure I.**

RISK MANAGEMENT POLICY:

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

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

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

The details of loan provided and investments made, if any are as mentioned in the notes to accounts. The Company has not provided any guarantee or security falling under purviewof Section 186 of the Companies Act, 2013 during the financial year under review.

STATUTORY AUDITORS:

In terms of the provisions of section 139 of the Companies Act, 2013, the Company had appointed M/s. G. K. Choksi & Co., Chartered Accountants, (Firm Reg. no. 101895W) as statutory auditors of the Company for the period of 5 (five) year in the 29th Annual general Meeting.

In view of amended provisions of section 139 of the Companies Act, 2013, the appointment of auditors is not required to be ratified every year at the AGM by the members of the company and hence present statutory auditors of the company will continue to act as statutory auditor till the expiry of their present term.

In the Statutory Auditors' Report on the financial statements of the Company for the financial year ended on 31st March, 2023, there is no Qualified/Adverse Opinion from Statutory Auditor during the financial year under review.

During the financial year under review, auditors of the company has not reported any fraud under sub-section (12) of section 143 of the Companies Act, 2013.

INTERNAL AUDITOR

M/s. S. N. Shah & Associates,Chartered Accountants, Ahmedabad has been appointed as 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 Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a yearly basis. The scope of internal audit is approved by the Audit Committee.

COST AUDITOR

Your Company has appointed Rajendra Patel & Associates, Cost Accountants, Ahmedabad as Cost Auditor of your Company to audit the cost records for the financial year 2023-24. As per Section 148 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, subject to the ratification by the members at the ensuing Annual General Meeting, at remuneration of ₹ 75,000 (Rupees Seventy Five Thousand Only) excluding GST (if applicable) and out of pocket expenses, if any.

MAINTENANCE OF COST RECORDS:

The Directors of the Company to the best of their knowledge and belief state that the Company has maintained adequate Cost records as required to be maintained by the Company under the provisions of Section 148 of the Companies Act, 2013 read with the relevant Rules framed thereunder.

DISCLOSURE OF AUDIT COMMITTEE:

The Audit Committee of the Company as on 31st March, 2023 consists of following Directors as its members:

1. Shri Bhupendra Mehta -Chairman
2. Shri Sheeraj Desai -Member
3. Shri Nikul Patel - Member

VIGIL MECHANISM :

Pursuant to provisions of Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower Policy. Through this policy Directors, Employees or business associates may report the unethical behavior, malpractices, wrongful conduct, frauds, violations of the Company's code etc. to the Chairman of the Audit Committee.

The vigil mechanism / whistle blower policy is also available on the website of the Company www.architorg.com.

COMPOSITION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has complied with the provision relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, no case has been received under the said act during the year.

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

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall affect the going concern status of the Company's operations as on date of this report.

INDUSTRIAL RELATIONS:

The Company has maintained cordial relations with the employees of the Company throughout the year. The Directors wishes to place on record sincere appreciation for the services rendered by the employees of the Company during the year.

COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

HDFC Bank Ltd. has filed transfer petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 on 20.01.2023 before Hon'ble NCLT, Ahmedabad. The matter is pending before the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

ACKNOWLEDGEMENT:

The Board is thankful to its bankers for their continued support and assistance, which has played important role in progress of the Company.

Your Directors places on records the contribution of employees of the Company at all levels and other business associates for their commitment, dedication and respective contribution to the Company's operations during the year under review.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

ANNEXURE A

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo:

	(A) Conservation of energy:	
(i)	the steps taken or impact on conservation of energy;	The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy. The office area is designed in such a way that during day time not much artificial lighting is necessary in the office.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	Company is continuously monitoring and making efforts for optimum utilization of equipments which ensures to conserve energy during routine operations itself. During the F.Y. 2022-23 the company has set up new solar Rooftop Project of 300 Kw at Bhavnagar factory's surrounding.
(iii)	the capital investment on energy conservation equipments	₹ 135.00 Lakhs
	(B) Technology Absorption:	
(i)	the efforts made towards technology absorption;	Company has always been making best effort towards technology absorption, adaptation and innovation to improve the quality.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It improves the quality of company's products being manufactured and reduces the cost of production.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year:-	N.A.
	(a) the details of technology imported;	N.A.
	(b) the year of import	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	N.A.
(iv)	the expenditure incurred on Research and Development	NIL
(v)	Foreign Exchange Earning Foreign Exchange Outgo	₹ 1,781.80 Lakh (previous year ₹ 3,530.83 Lakh) ₹ 5.69 Lakh (previous year ₹ 5.02 Lakh)

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
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BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

ANNEXURE B

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments:

The Company is primarily engaged in the business of manufacturing and selling of various chemical products.The production of chemicals (which includes alkali chemicals, inorganic chemicals, organic chemicals, pesticides and insecticides, dyes and dyestuff) has increased at a Compound Annual Growth Rate (CAGR) continuously.The chemical industry of India is a major industry in the Indian economy and as of 2022, contributes 7% of the country's Gross Domestic Product (GDP). Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world production of dyestuffs and dye intermediates.

Chemicals and chemical products are of significant importance in the overall manufacturing sector due to their direct and indirect applications in most industrial segments such as food and beverages, textiles, leather, metal extraction and processing, petroleum refining, pharmaceuticals and rubber. As a result, manufacturing of chemicals is closely related to the manufacturing sector's IIP.

The Indian chemicals industry stood at US$ 178 billion in 2019 and is expected to reach US$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US$ 383 billion to India's GDP by 2030.

The Company has capacity to withstand in the market and face the stiff competition prevailing in the chemical business market.

Opportunities and Threats:

The Company is optimistic about its growth prospect in the future. The Company has been concentrating on building brand image in the market.

The Company is facing stiff competition from various chemical companies in domestic market. However, Company is well positioned to leverage the opportunities to manage the challenges that have arisen in domestic market.

Segment – wise or product – wise performance:

Segment Reporting as defined in Ind AS 108 is not applicable, since the Company operates in only one segment.

Outlook:

The Company expects to increase its market share in the existing market by various scheme, especially in pharma industry, expanding its geographical coverage in more regions and undertaking large job contracts. We are cautiously optimistic of our prospects and believe that the year will go a long way in stabilizing our growth path. The Company also puts more efforts in R & D activities, reduction in process cycles, and improvement in existing process etc. The company is also diversifying in to pharma line, by importing bulk drugs and marketing in local market. Our Company has a well-established market of its own. The Directors are actively connected with the customers. Major customers of the Company include several large Indian and International companies who are engaged in the Agrochemical Manufacturing Sector, Pharmaceuticals Manufacturing Sector and Cosmetics Manufacturing Sector.

Company has developed various product like MCA, SMCA, CAC and TCAC.Company is selling their products across Pan India as well as USA, Europe, Latin America, Other Asian Countries and South Africa.

Our products find their uses mainly in pharmaceutical Intermediates like Ibuprofen, Diclofenac, Aceclofenac, Oil field chemicals used for Oil Drilling mainly In CMC manufacturing, Agriculture field product majorly 2,4 D-Acid and many others, surfactants and cosmetic products as well as day to day personal use products, also used in Pigment.

Risk and Concerns:

Company is facing competition from various small-scale manufacturers in certain products. Manufacturing cost and administrative costs are also increasing day by day. But Company is equipped to meet the challenges by better marketing tactics and effective management of cost and expenses.

The Company is also required to follow and maintain the norms laid down by Gujarat Pollution Control Board (GPCB) for discharge of its effluents. The Company is adhering to the norms laid down by GPCB and has spent a large amount of funds on changing the old machinery and erecting new machines which adhere to the new stringent laws of GPCB.

Internal Control Systems and their adequacy:

The Company has an adequate system of Internal Control relating to purchase of stores, raw materials, plant & machineries, equipments & various components and for the sale of goods commensurate with the size and nature of business of the Company.

The system of Internal Control of the Company is adequate keeping in mind the size and complexity of your Company's business. Systems are regularly reviewed to ensure effectiveness.

Financial Performance:

Financial Performance with respect to Operational Performance is discussed in the main part of the Report. Operational expenditures have also increased because of the establishment of Bhavnagar Unit.

Details of Key Financial Ratios are given below:

Ratios	2022-23	2021-22	Change %	Details of significant changes
Debtors Turnover	3.74	5.21	-28.29	Refer Note No. 1
Inventory Turnover	25.96	28.81	-9.87	-
Interest Service Coverage Ratio	10.17	7.60	33.82	Refer Note No. 2
Current Ratio (In times)	1.20	1.14	5.45	-
Debt Equity Ratio (In Times)	0.51	0.65	-22.43	-
Operating Profit Margin %	14.59	10.15	43.74	Refer Note No. 3
Net Profit Margin %	9.45	6.03	56.63	Refer Note No. 4
Return on Net Worth %	20.09	17.81	12.80	Refer Note No. 5

Note:

1. Trade receivables turnover ratio decreased due to decrease in net sales and increase in trade receivables as compared to previous year.
2. Interest Service Coverage increase is attributable to higher other operating revenue and profit on sale of fixed assets during the year considered as an exceptional item.
3. Operating Profit margin ratio increase is attributable to higher other operating revenue and profit on sale of fixed assets during the year consider as an exceptional item.
4. Net profit ratio/margin increase is attributable to higher lifting of chlorine income and profit on sale of fixed assets during the year considered as an exceptional item.
5. Return on Net Worth increase is attributable to higher other operating revenue and profit on sale of fixed assets during the year consider as an exceptional item.

Material Developments in Human Resources / Industrial Relations:

The Chemical industryis knowledge driven, considering this aspect we continue to build our team with high quality talent. The Company is putting thrust on providing training both in-house and outside. The key personnel are technically qualified and fully trained to run chemical plants.

The Company has 52 employees as on closure of Financial Year,

The Company maintains cordial & harmonious relation with its employees.

Disclosure of Accounting Treatment:

In the preparation of financial statements, there is no treatment different from that prescribed in an Accounting Standard has been followed during financial year under review.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
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BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

ANNEXURE C

CORPORATE GOVERNANCE REPORT

1) Company's Philosophy on Code of Corporate Governance.

The Company believes that good corporate governance leads to corporate growth and long term gain in shareholders' value. The spirit of Corporate Governance is prevailing in the Company. The Company is committed to maintain the highest standards of corporate governance in its conducts towards shareholders, employees, customers, suppliers and other stakeholders.

Our focus on sustainable growth, productivity improvement, commitment to quality and safety in operations is unrelenting.

2) Board of Directors.

Composition:

As on 31/03/2023 there are six Directors on Board consisting of :

1. Shri Kandarp K. Amin, Chairman and Whole Time Director,
2. Smt. Archana K. Amin, Whole Time Director,
3. Shri Archit K Amin, Whole Time Director,
4. Shri Bhupendra Vishnuprasad Mehta, Independent Director
5. Shri Shreeraj Vikram Desai, Independent Director
6. Shri Nikul Jagdishchandra Patel, Independent Director

The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of Board of Directors is in compliance with the provisions of Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant Rules framed thereunder.

Board meetings:

During the year,Nine (09) Board Meetings were held on12/05/2022, 30/06/2022, 25/07/2022, 10/10/2022, 11/11/2022, 13/01/2023, 09/02/2023, 22/02/2023 and 10/03/2023.The Company has observed the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding meeting of Board of Directors and that the time gap between two consecutive board meetings was not more than one hundred and twenty days. The necessary quorum was present in all the meetings.

The composition of the Board, category, the attendance of Directors at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship and other committee Memberships are given below:

Sr.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	@No. of other Directorship in in other Company	*No. of Committee Membership/ Chairmanship in other companies		Name of other Listed Entities where the directors of the company are directors and category of directorship	
						Member	Chairperson	Other listed Entities	Category
1.	Shri Kandarp Amin, Chairman	Promoter/Whole Time Director/Executive	8	Yes	2	-	-	-	-
2.	Smt. Archana Amin	Promoter/Whole Time Director /Executive	8	No	-	-	-	-	-
3.	Shri. Archit Amin	Promoter/Whole Time Director/ Executive	9	Yes	1	-	-	-	-
4.	Shri Bhupendra Mehta	Independent Non-Executive Director	9	Yes	-	-	-	-	-
5.	Shri Shreeraj Desai	Independent Non-Executive Director	9	No	-	-	-	-	-
6.	Shri Nikul Patel	Independent Non-Executive Director	9	Yes	1	-	-	Dangee Dums Limited	Managing Director

Note:
@ Excludes alternate Directorships/Directorship of Private Limited Companies, Foreign Companies and Companies covered under Section 8 of the Companies Act,2013.

*Under this column, member/Chairperson of Audit Committee and Stakeholders Relationship Committee only is considered. None of Directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors. In computing the said number only Audit committee and Stakeholder Relationship Committee, have been considered in terms of Regulation 26(1) of the SEBI Listing Regulations.

The Company did not have any pecuniary relationship or transactions with the non-executive directors during the year under review except to the extent of their shareholding in the Company.

Shri Kandarp Amin, is spouse of Smt. Archana K. Amin. Shri Archit Amin is son of Shri Kandarp Amin and Smt. Archana Amin. Apart from that none of the other Directors are related to each other in any way.

Shareholding of Non-Executive Directors as on 31st March, 2023 is as follows:

Name of the Directors	Number of Equity Shares/ Convertible instruments of the company
Shri Bhupendra Mehta	100 Equity Shares
Shri Sheeraj Desai	NIL
Shri Nikul Patel	03 Equity Shares

The details of familiarization programme imparted to Independent Directors of the Company are available on the website of the Company at the web link i.e. https://www.architorg.com/investorrelations/invester_comunication/2023/Archit%20familiarisation-programme%20-%2022-23.pdf.

Qualifications and Expertise of Board of Directors:

The details pertaining to expertise/ skills/competence of the Board and name of Directors possessing the same:

Areas of Skills/ Expertise / Competencies	Name of Director
Manufacturing	Shri Kandarp Amin, Smt. Archana Amin, Shri Archit Amin, Shri Shreeraj Desai, Shri Bhupendra Mehta and Shri Nikul Patel
Corporate Strategy and planning	Shri Kandarp Amin, Smt. Archana Amin, Shri Archit Amin and Shri Bhupendra Mehta, Shri Nikul Patel
Commercial and Financial	Shri Kandarp Amin, Smt. Archana Amin, Shri Archit Amin and Shri Bhupendra Mehta
Human resources	Smt. Archana Amin, Shri Archit Amin and Shri Shreeraj Desai
Legal expertise	Shri Kandarp Amin and Shri Archit Amin and Shri Bhupendra Mehta
Administrative Management	Shri Kandarp Amin, Smt. Archana Amin and Shri Archit Amin, Shri Nikul Patel

Confirmation regarding Independent Directors

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the Independent Directors of the Company under Section 149 (6) of the Companies Act, 2013, the Board hereby confirms that all the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the management.In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management. Further, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience (including the proficiency) and expertise in their respective fields and that they hold highest standards of integrity.

In terms of Regulation 25(8) of the SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

During the year 2022-23, no Independent director of the company has resigned before the expiry of his/her tenure.

3) Audit Committee

As required under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted an Audit Committee consisting of following Directors as Members of the Committee:

Name of Audit Committee Members	Category	No. of Meetings held	No. of Meetings attended
Shri Bhupendra Mehta, Chairman	Independent Director	6	6
Shri Shreeraj Desai, Member	Independent Director	6	6
Shri Nikul Patel, Member	Independent Director	6	6

The Constitution of the Committee meets the requirements of Section 177 of the Companies Act, 2013 as well as Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.During the year,Six (6) Committee Meetings were held on 12-05-2022, 25-07-2022,10-10-2022, 11-11-2022, 13-01-2023 and 10-03-2023 in which required quorum was present. The Company Secretary acts as the Secretary to the Committee and the Chairman of the Audit Committee was present at the 29th AGM of the Company.

The functions of Audit Committee as outlined in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as mentioned below:

Brief description of Terms of Reference:

1. To review the quarterly (un-audited) and annual financial statements before the same are submitted to the Board and to oversee the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, adequate and credible;
2. The recommendation for appointment, remuneration and terms of appointment of Auditors of the company;
3. To review and monitor the Auditors independence, performance and effectiveness of audit process;
4. To review the adequacy of internal control systems, evaluation of internal financial controls and risk management systems and to review the functioning of the Whistle Blower mechanism;
5. Scrutiny of loans, advances and investments, valuation of undertakings or assets of the company, wherever it is necessary and to approve the transactions of the company with related parties and any subsequent modification thereto;
6. To review the utilization of loans and/ or advances from/investment in the subsidiary Company, if any exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
7. To carry out any other function that relates to accounts and audit of the company.
8. To review management discussion and analysis of financial condition and results of operations;
9. To review management letters / letters of internal control weaknesses issued by the statutory auditors;
10. To review internal audit reports relating to internal control weaknesses; and
11. To review the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
12. To review statement of deviations:
    (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospect us/notice in terms of Regulation 32(7).

The time gap between any two consecutive committee meetings was less than 120 days. The audit committee adheres to the SEBI guidelines in terms of quorum of its meetings, functioning, role and powers as also those set out in the Companies Act, 2013.

4) Nomination and Remuneration Committee

As required under the provisions of Companies Act, 2013, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the Nomination and Remuneration Committee consisting of following Directors as Members of the Committee:

Name of Nomination and Remuneration Committee Members	Category	No. of Meetings held	No. of Meetings attended
Shri Bhupendra V. Mehta, Chairman	Independent Director	4	4
Shri Shreeraj Desai, Member	Independent Director	4	4
Shri Nikul Patel, Member	Independent Director	4	4

During the year Four (4) committee meetings was held on 25-07-2022, 10-10-2022, 26-12-2022 and 10-03-2023.

Brief description of Terms of Reference is as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down;
2. To recommend to the Board their appointment and removal and shall carry out evaluation of Directors' performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
4. To recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel, senior management and other employees.
5. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description

Accordingly, Committee reviews the remuneration package of the Whole Time Directors of the Company and recommends suitable remuneration package / revision to the Board, in accordance with the guidelines laid out by the statute.

Performance Evaluation:

The Performance of the Independent Director is evaluated based on the criteria such as his knowledge, experience, integrity, expertise in any area, number of Board/Committee meetings attended, time devoted to the Company, their participation in the Board/Committee meetings etc. The Performance evaluation of the Independent Directors was carried out by the Board and while evaluating the performance of the Independent Directors, the Director who was subject to the evaluation did not participate.

Remuneration Policy:

In accordance with the provisions of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees which was approved by the Board and is annexed with the Directors' Report. The detailed terms of reference and Nomination & Remuneration Policy is also available on the website of the company i.e. https://www.architorg.com/

Details of remuneration paid for the year ended on 31-03-2023:

Name	Position held During the period	Salary and Allowances ₹ In lacs	Perquisites
Shri. Kandarp K Amim	Whole-time Director	78.00	As approved by the shareholders and as per policy of Company
Smt. Archana K. Amin	Whole -time Director	72.00	
Shri. Archit K. Amin	Whole -time Director	57.00	

Service Contract and Notice Period: The appointment of Shri Kandarp K. Amin,Smt. Archana K. Amin and Shri Archit Amin as Whole Time Directors of the Company is for the 3 years, terminable by six months' notice in writing by either side. The Board of Directors of the Company has authority to decide Severance fees payable to Whole Time Directors.

There was not any performance linked incentives paid to Whole-time Directors as the Company has not specified any performance criteria. The Company has not formulated any scheme for giving any stock options to the employees. Hence no stock options have been granted to the Executive Directors during the year under review. Criteria of making payment to Non-executive Director as available in the website of the Company i.e. www.architorg.com.The Company has not made any payment to non-executive director of the Company. There is no pecuniary transactions of the non-executive directors vis-à-vis the Company during the financial year under review.

The Company has not paid sitting fees to any Independent Directors.

5) Stakeholders Relationship Committee

As required under the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has constituted Stakeholders Relationship Committee which looks into matter of redressing investor/shareholders grievances, investor complaints, approves transfer and transmission of shares; authorizes issue of duplicate share certificates and generally deals with all matters in connection with shares issued by the Company from time to time.

Shri Bhupendra Mehta (Independent Director) being the Chairman heads the committee.

Name and Designation of Compliance Officer:

Mr. Vijay Boliya– Whole -Time Company Secretary and Compliance Officer

The status of the Investors' Complaints during the Financial Year 2022-23 are as under:

Investor Complaints during F Y 2022-23	**No. of Complaints**
Pending at the beginning of the Year	0
Received during the Year	2
Disposed of during the Year	1
Remaining unresolved at the end of the Year	1

The Company has resolved the Complaint remaining unresolved at the end of the Financial Year 2022-23 before approval of this report to the satisfaction of the shareholder and there were no pending complaints from Shareholders as the date of this report.

6) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As the Company fall under the criteria mentioned in the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however as per sub-section 9 of section 135 of the Companies Act, 2013 where the amount to be spent by a company under sub-section (5) of Section 135 of the Companies Act, 2013 does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company. In the financial year under review amount to be spent by the Company did not exceed ₹ 50 lakhs hence the Company has not constituted the Corporate Social Responsibility.

7) RISK MANAGEMENT COMMITTEE:

The Company is not mandatorily required to constitute a Risk Management Committee as per Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the company had in place a committee known as "Risk Management Committee". The Company has dissolved the Risk Management Committee during the financial year under review which was voluntarily constituted by the Company and Board of Director of the Company will take necessary actions for combating Risk of the Company as and when required.

8) INDEPENDENT DIRECTORS:

As per the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in the year without attendance of the Non Independent Directors. Independent Directors at their meeting held on 14-06-2022 has reviewed the performance of the Non Independent Directors (Including the Chairman of the Company) and assessed the quality, quantity and timeliness of the flow of information between the Company and the Management. All the independent Directors have attended the meeting.

All the Independent Directors meet the criteria of Independence as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9) Vigil Mechanism Policy:

In accordance with the provisions of the Companies Act, 2013 and the Rules made there under read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil

Mechanism Policy (Whistle Blower Policy) for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, which also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide direct access to the chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism Policy is devised in such a manner that would enable the stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. The Board of Directors also affirm that the personnel of the Company have not been denied the access to the Audit Committee to report the genuine concern or grievance.

The Vigil Mechanism Policy is made available on the website of the Company https://www.architorg.com/investorrelations/Vigil%20Mechanism%20(Whistle%20Blower%20Policy).pdf.

10) Code of Fair Disclosure:

The Board of Directors has laid down a Code of fair Disclosure as required under SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all the Promoters, Directors and Connected persons (as mentioned in the Code).

The Code of Conduct is made available on the website of the Company https://www.architorg.com/investorrelations/Code%20of%20Fair%20Disclosure.pdf

11) General Body Meetings

Annual General Meetings held in last three financial years were as under: -

Annual General Meeting:

Financial Year ended	Date	Time	Venue
31-03-2022	08-09-2022	12.35 p.m.	Through Video Conferencing ('VC') facility or other audio visual means ('OAVM')
31-03-2021	17-09-2021	11.00 a.m.	Through Video Conferencing ('VC') facility or other audio visual means ('OAVM')
31-03-2020	29-09-2020	11.00 a.m.	Through Video Conferencing ('VC') facility or other audio visual means ('OAVM')

No Extra Ordinary General Meeting was held during the financial year 2022-23.

The Company has not obtained any approval by way of Postal ballot during the previous year.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

The following are the Special Resolutions passed at General Meetings held in the previous 3 financial years:

Annual General Meeting (AGM)	**Special Resolutions**
AGM 2022	1. Increase the limits for giving loans, making investments and providing guarantees or security under Section 186 of the Companies Act, 2013 2. Re-appointment of Shri Kandarp Amin (DIN: 00038972) as the Whole Time Director of the Company 3. Re-appointment of Smt. Archana Amin (DIN: 00038985) as the Whole Time Director of the Company 4. Re-appointment of Shri Archit Amin (DIN: 01681638) as the Whole Time Director of the Company
AGM 2021	1. No special resolution was passed.
AGM 2020	1. Issue of 55,00,000 convertible warrants at the price of ₹ 10/- each on preferential basis. 2. Re-appoint Shri Kandarp Amin (DIN: 00038972) as a Whole Time Director of the Company. 3. Re-appoint Smt. Archana Amin (DIN: 00038985) as a Whole Time Director of the Company. 4. Re-appoint Shri Archit Amin (DIN: 01681638) as a Whole Time Director of the Company.

Other Disclosures

1. Related party transactions during the year have been disclosed as required under applicable Indian Accounting Standard are presented in the notes to the financial statements, which forms a part of the Annual Report. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have any conflict with the Company's interest.

   The Board has approved a policy for related party transactions which has been uploaded on the website of the Company www.architorg.com.

   In preparation of financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

2. The Company has complied with the requirements of regulatory authorities and no strictures / penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matters related to the capital market during last 3 years.

3. Business risk evaluation and managing such risk is an ongoing process within the organization.

   The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks. The Company has laid down the procedures to inform the Board members about the risk assessment and risk mitigation mechanism, which is periodically reviewed and reported to the Board of Directors by senior executives.

   The Company has ensured commodity price risk, foreign exchange risk and Commodity hedging Activity.

4. The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.

5. Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year and no complaint is pending at the year end.

6. Details of Loan and advances given in the nature of loan to firms / Companies by the Archit Organosys Ltd. In which directors of the Company are interested:

Sr. No.	Name of Firm/Company	₹ In Lakhs	Interested Directors
1.	Archit Life Science Limited, Wholly owned subsidiary	210.68	Shri Kandarp Krishnakant Amin Smt. Archana Kandarp Amin Shri Archit Kandarpbhai Amin

   Whereas Wholly owned subsidiary of the Company i.e. Archit Life Science Ltd has not given loan any or advances to any firm/company in which directors of the company is/are interested.

7. The Company do not have any material subsidiary as on closure of financial year under review.

8. During the financial year under review the Company has not raised any funds through preferential allotment or qualified institutional placement.

   There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the Financial Year ended 31st March, 2023.

   Mandatory/ Non-Mandatory Requirements:

   i. During the year the Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Except as observations made by Secretarial Auditor.

   ii. There is no non-compliance of any requirement of corporate governance report of sub para 2 to 10 of Clause C of Schedule V of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 except observation made by PCS in Annual Secretarial Compliance Report

   iii. The Company has during the financial year ended on 31.03.2023 has partially adopted non-mandatory (discretionary) requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   iv. The Company has generally complied with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Fees to Statutory Auditors:

The details of total fees paid to the Statutory Auditors are given in the Note no. 41(a) forming part of the financial statement.

The statutory auditors are being paid ₹ 1,00,000/- by subsidiary company.

12) Means of Communication

A. Financial Results:

The Quarterly, Half Yearly and Annual Results are published in widely circulated national and local dailies such as Western Times, Gujarati and English Edition and are also displayed on the website of the Company www.architorg.com.

B. News Releases, Presentations etc:

Official News releases, press releases and presentation made to the Analysts, institutional investors etc. (if any) are displayed on the website of the Company www.architorg.com and are submitted to the Stock Exchange in terms of the requirement of Listing Regulations.

C. Website:

The Company's Website www.architorg.comcontains a separate dedicated section namely "Investors' Relations" where the useful information for the Shareholders is available.

D. The Management Discussion & Analysis report forms part of the Annual Report, which is posted to all the members of the Company.

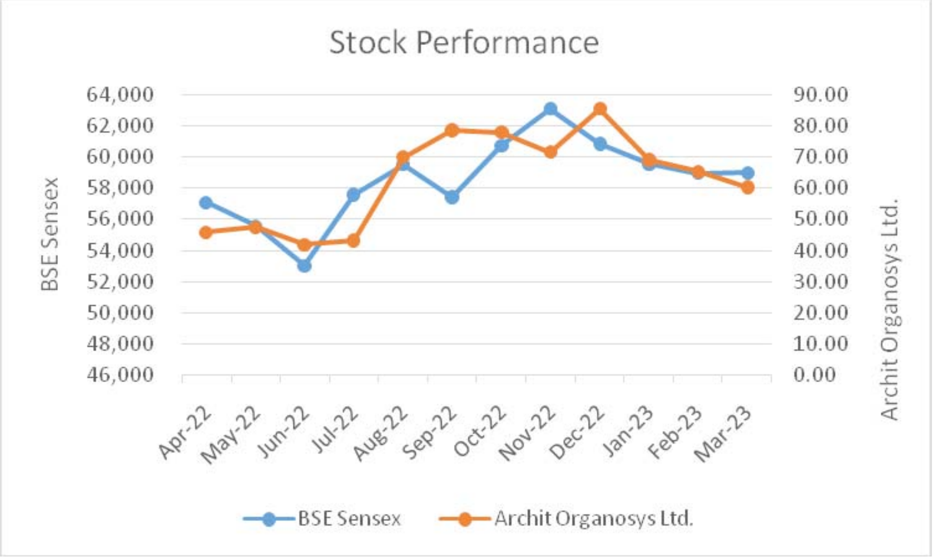
13) General Shareholder Information

Day, Date, time and venue of AGM	Thursday, 31st August, 2023 at 12.30 P.M. at through two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM')
Financial Year	Financial year of the Company Commence from 01st April, 2022 and ends on 31st March, 2023.
Listing on Stock Exchanges	BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Listing Fees	Company has paid listing fees to BSE Limited.
ISIN No.	For fully paid shares: INE078I01011
Scrip/Stock Code	For fully paid Shares: 524640
Registered Office	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.
Dividend Payment Date	Dividend of ₹ 0.50 per share of ₹ 10/- each fully paid up (5%) for the financial year 2022-23 has been recommended by the Board of Directors to Members for their approval. If approved by the Members, payment will be made within statutory time limit of 30 days from the date of declaration.
Compliance Officer	Mr. Vijay Boliya Email ID: share@architorg.com Contact No. 9081444532
Registrar and Share Transfer Agent	LINK INTIME INDIA PVT. LTD. 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C G Road, Navrangpura, Ahmedabad - 380009.

14) Market Price Data.

The details of market price data of Fully paid up-high & low during the reporting period is as under:

Sr.No.	Month	High (In ₹)	Low (In ₹)
1.	April '22	51.00	39.00
2.	May '22	51.90	38.05
3.	June '22	49.25	40.00
4.	July '22	50.00	38.20
5.	August '22	74.90	44.00
6.	September'22	84.25	64.10
7.	October '22	91.40	75.35
8.	November'22	82.00	69.10
9.	December '22	100.00	72.00
10.	January '23	97.95	58.60
11.	February '23	81.70	63.50
12.	March '23	72.00	56.00



15) Financial Calendar 2023-2024 (tentative)

Annual General Meeting	on or before 30th September, 2023
Results for quarter ending 30th June, 2023	on or before 14th August,2023
Results for quarter ending 30th September, 2023	on or before 14th November, 2023
Results for quarter ending 31st December, 2023	on or before 14th February, 2023
Results for year ending 31st March, 2024	on or before 30th May, 2024

16) Distribution of Shareholding as on 31-03-2023:

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Up to 500	7737	78.57	13,86,586	6.76
501 - 1000	1068	10.85	8,60,703	4.19
1001 - 2000	513	5.21	7,69,728	3.75
2001 - 3000	174	1.77	4,49,371	2.19
3001 - 4000	98	1.00	3,44,933	1.68
4001 - 5000	73	0.74	3,45,704	1.68
5001 -10000	96	0.97	7,08,398	3.45
10001 and above	88	0.89	1,56,55,300	76.29
Total	**9847**	**100.00**	**2,05,20,723**	**100.00**

17) Pattern of Shareholding as on 31-03-2023:

Sr. No	Category	No. of Shares	(%)
1.	Promoters & Promoter group	1,27,98,429	62.37
2.	Bodies Corporate	3,78,525	1.84
3.	NRIs	2,37,386	1.16
4.	Individuals / HUF	70,92,711	34.56
5.	Clearing Members	13,569	0.07
6.	Independent Directors	103	0.00
	TOTAL	**2,05,20,723**	**100.00**

18) Dematerialization of Shares, Registrar & Transfer Agent & Share Transfer System.

(i) Share Transfer System

The process of transfer / transmission / transposition etc. of equity shares in physical form including dispatch of the share certificates is completed within a period of 15 days if the documents are in order in all respects.

(ii) Dematerialization of shares, Registrar & Transfer system:

The equity shares of the Company are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

LINK INTIME INDIA PRIVATE LIMITED, having its office at 5th Floor, 506 to 508, Amarnath Business Centre–1 (ABC-1), Beside Gala Business Centre, Off C G Road, Navrangpura, Ahmedabad – 380009 as Registrar and Share Transfer Agents being a Common Agency for Physical and Electronic modes.

1,95,26,323 equity shares comprising of 95.15% of the total equity shares of the Company are in dematerialized form.

(iii) Investors Correspondence:

All shareholders queries are sent to the Company at its Corporate office at 9th Floor, Venus Benecia, Near Pakwan Restaurant, Bodakdev, S.G. Highway, Ahmedabad-380054 or to the Registrar & Transfer Agent as aforementioned address.

(iv) The Company had not issued global depository receipts or american depository receipts or warrants or any convertible instruments.

(v) During the year under review the company has not received any credit rating from any agency.

19) Secretarial Audit for Reconciliation of Capital:

As stipulated by SEBI, Practicing Company Secretaries carryout Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and report there on is submitted to the Stock Exchange(s) where shares of the Company are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized from (held with NSDL and CDSL) and total number of shares in physical form.

20) Plant Location

The Company's plant is located at

1. 1st Plant: 25/9-A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382330 Gujarat and
2. 2nd Plant: Survey no 228/A, Paiki 7, Paiki 2, Village - Narmad, Bhavnagar-364313, Gujarat

21) CEO/CFO Certification

The CEO/CFO of the Company has given certification on the financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015. The CEO/CFO has also given quarterly certification on financial results to the Board in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of the Stock Exchanges / SEBI and statutory Authorities on all matters related to the capital markets during the last three years except observations made by Secretarial Auditor in their reports However, no penalties/strictures were imposed on the Company by any of these authorities during last three years.

23) Web link for policy on Related Party Transaction:

Policy on dealing with related party transactions is available at https://www.architorg.com/investorrelations/Related%20Party%20transactions.pdf.

24) Web link for policy on Material Subsidiary:

Policy of Determining Material Subsidiary is available at https://www.architorg.com/investorrelations/policy/2023/Policy%20for%20Determination%20of%20Subsidiary.pdf

25) Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified, by the virtue of any order issued by Securities and Exchange Board of India / Ministry of Corporate Affairs or any other Competent or Statutory Authority, from being appointed or continuing as Directors of Companies. Shri Umesh G. Parikh (M.No.: FCS 4152, CP No. 2413), Practicing Company Secretary, has submitted a certificate to this effect, which being enclosed at the end of this Report as **Annexure C1**.

26) Disclosures with respect to demat suspense account/ unclaimed suspense account:

The Shareholders of the Company has DEMATED their shares basis on letter of confirmation issued by RTA of the Company, hence there is no requirement arise for transfer of shares in demat suspense account during the year under review.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

Annexure C1

To,
The Members,
ARCHIT ORGANOSYS LIMITED
CIN: L24110GJ1993PLC019941

We have examined relevant registers, records, forms, returns and disclosures in respect of the Directors of ARCHIT ORGANOSYS LIMITED (the Company) having its registered office situated at Plot No. 25/9-A, Phase-III GIDC, Naroda, Ahmedabad-382330, Gujarat which were produced before us by the Company for the purpose of issuing a certificate as stipulated in Regulation 34 (3) read with Clause (10) (i) of Para C of Schedule V of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

In our opinion and to the best of our information and on the basis of verification of the above stated documents (including the status of Directors Identification Number - DIN at the portal of Ministry of Corporate Affairs - MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on March 31, 2023 have been debarred or disqualified from being appointed or continuing as a Director of the Company by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other statutory authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the basis of verification of documents produced before us and made available to us. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted affairs of the Company.

FOR PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES

UMESH G. PARIKH
PRACTICING COMPANY SECRETARY
PARTNER
FCS NO. 4152 CP. NO. 2413
UDIN: F004152E000505125
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020

Date : 26-06-2023
Place : Ahmedabad

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

To,
Board of Directors,
Archit Organosys Limited
Plot No 25/9-A Phase-Iii Gidc naroda Ahmedabad-382330

Sub.: DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

Dear Sir,

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and according to the information provided/available, it is hereby confirmed that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2022-2023. The Code of Conduct is also posted on the website of the Company i.e www.architorg.com.

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
ARCHIT ORGANOSYS LIMITED
CIN: L24110GJ1993PLC019941

We have examined all relevant records of ARCHIT ORGANOSYS LIMITED for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time for the year ended on March 31, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has complied with the applicable conditions of the Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For Parikh Dave & Associates
Company Secretaries

UMESH G. PARIKH
PRACTICING COMPANY SECRETARY
PARTNER
FCS NO. 4152 CP. NO. 2413
UDIN: F004152E000505158
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020

Place : Ahmedabad
Date : 26-06-2023

Annexure D
Form AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2O14)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1.	S.No.:	1
2.	Name of the subsidiary:	**Archit Life Science Limited**
3.	The dates since subsidiary was acquired:	**02/09/2022**
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period:	Same reporting period i.e. **01st April to 31st March of Every year**
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries:	**INR**
6.	Share capital:	₹ **10 Lakhs**
7.	Reserves and surplus:	₹ (**1.50) Lakhs**
8.	Total assets:	₹ **350.89 Lakhs**
9.	Total Liabilities:	₹ **342.39 Lakhs**
1O.	Investments:	**0**
11.	Turnover:	**0**
12.	Profit before taxation:	₹ (**1.50) Lakhs**
13.	Provision for taxation:	0
14.	Profit after taxation:	₹ (**1.50) Lakhs**
15.	Proposed Dividend:	NA
16.	Extent of shareholding (in percentage):	100%

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

1. Names of subsidiaries which are yet to commence operations: Archit Life Science Limited
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:**Not Applicable**

Name of Associates or Joint Ventures	**Name 1**	**Name 2**	**Name 3**
		Not Applicable	
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint VenturesHeld by the company on the year end			
No.			
Amount of Investment in Associates or JointVenture			
Extent of Holding (in percentage)			
4. Description of how there is significant influence			
5. Reason why the associate/Joint venture Is not consolidated.			
6. Net worth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations: **Not Applicable**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **Not Applicable**

For G. K. Choksi & Co. **Sandip A. Parikh** Partner Mem. No. 40727	**Kandarp K. Amin** Chairman & Whole Time Director DIN: 00038972	**Archana K. Amin** Whole Time Director DIN: 00038985	**Ajay P. Patel** CFO	**Vijay A. Boliya** Company Secretary

Date: 26/06/2023
Place: Ahmedabad

ANNEXURE E

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

In terms of Section 178 of the Companies Act, 2013 read with the applicable rules thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration Committee recommended the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company which was approved and adopted by the Board of Directors of the Company.

Objectives:

- To provide guidance to the Board for appointment and removal of Directors, KMP and Senior Management;
- To formulate criteria for performance evaluation of Directors, KMP and Senior Management and to provide necessary evaluation report to the Board; necessary evaluation report to the Board;
- To recommend to the Board remuneration payable to the Directors, KMP and Senior Management.

Role of Nomination and Remuneration Committee:

The Committee shall perform the role for following matters:

Criteria for appointment of Director:

- To determine the age, qualifications, qualities, skills, positive attributes and independence of a director and other expertise required to be a Director.

Nomination of directors:

- Identifying, screening and reviewing candidates qualified to be appointed as Executive Directors, Non-Executive Directors and Independent Directors.
- Recommending to the Board candidature for appointment or re-appointment of Directors;
- The Nomination and Remuneration Committee may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board of Directors. The Committee will review and discuss all documents pertaining to candidates and will conduct evaluation of candidates in accordance with a process that it deem fit and appropriate, passing on the recommendations for the nomination to the Board.

Evaluation of Director:

- The Committee develops, subject to approval by the Board, a process for an annual evaluation of the performance of the Board, the individual directors on the basis of detailed performance parameters set for directors at the beginning of the year.
- The Committee may, from time-to-time, also evaluate the usefulness of such performance parameters, and make necessary amendments.

Consultative role:

- The Nomination and Remuneration Committee plays a consultative role for any appointment requiring Board approval, as stipulated by law or regulation, for senior management positions. It provides its advice and recommendations to the Board.

Senior Management of the Company consist of:

All the officers / personnel of the Company involved in the core management team and all the members excluding the Board of Directors of the management that are one level below CEO / MD / WTD / Manager and includes the Chief financial officer and Company Secretary of the Company.

Evaluation of KMP and Senior Management:

- The committee shall annually review and approve for the KMP and Senior Management the corporate goals and objectives applicable to them, evaluate at least annually their performance in light of those goals and objectives, and determine and approve their (a) annual base salary, (b) annual incentive bonus, including the specific goals and amount, (c) any other benefits, compensation or arrangements, based on this evaluation.

- The Committee may also make recommendations to the Board with respect to incentive compensation plans. The committee may review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

Duties of Nomination and Remuneration Committee:

A. The duties of the Committee in relation to nomination matters include:

- To ensure that appropriate induction and training programme are in place for new Directors and members of Senior Management and to periodically review its effectiveness;
- To ensure that on appointment, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- To ensure that the Independent Directors continues to fulfill the Independence criteria as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- To determine the appropriate size, diversity and composition of the Board;
- To identify and recommend names of Directors who are to retire by rotation;
- To set up a formal and transparent procedure for selecting Directors for appointment to the Board;
- To evaluate the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- To develop a succession plan for the Board and Senior Management and to regularly review the plan;
- To recommend necessary changes in the Board;
- To delegate any of its powers to the members or the Secretary of the Committee;
- To decide for extension or to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To consider any other matters as may be requested by the Board.

B. The duties of the Committee in relation to remuneration matters include:

- To recommend the remuneration payable to the Senior Management of the Company in accordance with the Remuneration Policy of the Company and while designing the remuneration package it must consider that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- To ensure that the remuneration to Directors, KMP and Senior Management of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- To delegate any of its powers to the members or the Secretary of the Committee;
- To consider any other matters as may be requested by the Board.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

ANNEXURE F

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED on March 31, 2023

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

To,
The Members,
ARCHIT ORGANOSYS LIMITED.
CIN: L24110GJ1993PLC019941
Plot No. 25/9-A, Phase-III,
GIDC Naroda,
Ahmedabad - 382 330

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARCHIT ORGANOSYS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 whether electronically or otherwise during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 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:

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

1) The Companies Act, 2013 (the Act) and the Rules made thereunder.
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
3) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not applicable to the extent of External Commercial Borrowings as there were no reportable events during the financial year under review.
5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not applicable during the year under review;
   (d) The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations,2014 - Not applicable during the year under review.
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008 - Not applicable during the year under review;
   (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 during the year under review.
   (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable during the year under review.
   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

   i. Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.

   ii. The Uniform Listing Agreement entered by the Company with and BSE Limited (BSE).

   (j) During the Audit period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. except

   As per Companies Act, 2013

   1. Company has missed out to make proper disclosure in Directors Report on some points as per requirement of Section 134 of the Companies Act, 2013.

2. *Few forms which are required to be filed under provisions of Companies Act, 2013 with Ministry of Corporate Affairs have been filed after due date.*
3. *As per requirements of Section 158 of the Companies Act, 2013, reference of the DIN has not been provided at some places with the name of the Director.*

As Per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

4. *As per requirement of Regulation 39(3) of SEBI (Listing Obligation and Disclosure Requirements), 2015 Separate intimations regarding issue of duplicate share certificate has not been given to the stock exchange.*
5. *As per requirement of Schedule V of SEBI (Listing Obligation and Disclosure Requirements), 2015Certain details/information which are required to be included in the Corporate Governance Report as per schedule V of SEBI (LODR),2015 is been left out.*
6. *As per requirement of Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company is maintaining structured digital database since 15th November 2022.*

We further report that:

During the audit period under review there were no specific laws which were exclusively applicable to the Company/ Industry. However, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the manufacturing activities:

1. The Factories Act,1948.

We 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 Board that took place during the period under review were carried out in compliance of the provisions of Act.

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

Decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that :

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers, and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meetings, 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 general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditors and other designated professionals.

We further report that :

During the Audit period under review, the material event in pursuance of the abovementioned laws, rules, regulations, guidelines, standards, etc. is as mentioned below.

The Company has incorporated a wholly owned subsidiary i.e., Archit Life Science Limited as on 02nd September 2022

Petition has been filed by the HDFC Bank Limited, a financial Creditor against the Company to initiate Corporate Insolvency Resolution Process under IBC, Code 2016 read with Rule of the IBC (Application to Adjudicating Authority) Rules, 2016 on 20th January 2023 for an amount of ₹ 2,90,52,386.81 (Rupees Two Crores Ninety Lacs Fifty-Two Thousand Three Hundred Eighty Six and Eighty One Paisa).

Apart from the above, there were no instances of:

a) Redemption / buy-back of securities.
b) Obtaining the approval from shareholders under Section 180 of the Companies Act, 2013.
c) Merger / amalgamation / reconstruction, etc.
d) Foreign technical collaborations.

FOR, CHETAN PATEL & ASSOCIATES
COMPANY SECRETARIES

Date : 24/06/2023
Place : Ahmedabad

CHETAN PATEL
C. P. No.: 3986
UDIN: F005188E000494567

Note: This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

ANNEXURE - A

To,
The Members,
ARCHIT ORGANOSYS LIMITED
CIN: L24110GJ1993PLC019941

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure 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, CHETAN PATEL & ASSOCIATES
COMPANY SECRETARIES

Date : 24/06/2023
Place : Ahmedabad

Chetan Patel
CPNO:3986
UDIN: F005188E000494567

ANNEXURE – G

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 during F.Y. 2022-23:

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A
b)	Nature of contracts/arrangements/transaction	N.A
c)	Duration of the contracts/arrangements/transaction	N.A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A
e)	Justification for entering into such contracts or arrangements or transactions'	N.A
f)	Date of approval by the Board	N.A
g)	Amount paid as advances, if any	N.A
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A

2. Details of contracts or arrangements or transactions at Arm's length basis during F.Y. 2022-23:

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	As per Annexure G1
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Annexure G1 **(₹ in Lacs)**

Details						
Name (s) of the related party	**Nature of relationship**	**Nature of contracts/ arrangements/ transaction**	**Duration of the contracts/ arrangements/ transaction**	**Salient terms of the contracts or arrangements or transaction including the value, if any**	**Date of approval by the Board***	**Amount paid as advances, if any***
Kandarp Amin	Whole Time Director	To avail services (taken property on rent)	1st April, 2022 to 29th March, 2023	6.00	-	NIL
Archana Amin	Whole Time Director	To avail services (taken property on rent)	1st April, 2021 to 31st March, 2024	36.48	-	NIL
		Purchase of Assets	1st April, 2022 to 31st March, 2023	294.45	-	147.23
Shimoli Amin	Relative of Director	To avail services (taken property on rent)	01st April, 2022 to 29th March, 2023	11.58	-	NIL
Manini Amin	Relative of Director	To avail services (taken property on rent)	01st April, 2022 to 29th March, 2023	7.04	-	NIL
Suchit Amin	Relative of Director	Payment of Salary	1st April, 2022 to 31st March, 2023	29.40	-	NIL
Shimoli Amin	Relative of Director	Payment of Salary	1st April, 2022 to 31st March, 2023	27.60	-	NIL
Manini Amin	Relative of Director	Payment of Salary	1st April, 2022 to 31st March, 2023	27.60	-	NIL
Krishna Orgochem	Proprietorship firm in which Director is proprietor	Purchase of good	1st April, 2022 to 31st March, 2023	308.21	-	NIL
Archit Advance Materials	Partnership firm, in which a director, manager or his relative is a partner	Purchase of good	1st April, 2022 to 31st March, 2023	418.25	-	NIL
Kalindi Impex	Partnership firm, in which a director, manager or his relative is a partner	Purchase of good	1st April, 2022 to 31st March, 2023	341.65	-	NIL
S.D Agro Organics	Proprietorship firm in which Director is proprietor	Purchase of good	1st April, 2022 to 31st March, 2023	25.93	-	NIL
Shimoli Amin	Relative of Director	Purchase of Assets	1st April, 2022 to 31st March, 2023	99.45	-	49.73
Manini Amin	Relative of Director	Purchase of Assets	1st April, 2022 to 31st March, 2023	60.44	-	30.22
Archit Life Science Limited	Wholly owned subsidiary	Sale of Assets	02nd September, 2022 to 31st March, 2023	112.97	-	NIL

*Appropriate approvals have been taken for related party transactions. No amount was paid as advance.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

ANNEXURE H

DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ended on 31st March, 2023;

(Amount in ₹)

Sr. No.	Director	Remuneration	Median Remuneration	Ratio
1.	Shri Kandarp K. Amin	78.00 Lacs	3.51 Lacs	22.19:1
2.	Smt. Archana K. Amin	72.00 Lacs	3.51 Lacs	20.49:1
3.	Shri Archit K. Amin	57.00 Lacs	3.51 Lacs	16.22:1

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sr. No.	Key Managerial Personnel	% increase
1.	Shri Kandarp K. Amin, Whole Time Director	NIL
2.	Smt. Archana K. Amin, Whole Time Director	NIL
3.	Shri Archit K. Amin, Whole Time Director	NIL
4.	Company Secretary	NIL
5.	Chief Financial Officer	NIL

iii. The percentage increase in the median remuneration of employees in the financial year;

64.02% increase in the median remuneration of the employees in the financial year

iv. The Company has 52 permanent employees on the rolls of company

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;

Not Applicable

v. The key parameters for any variable component of remuneration availed by the directors;

The Whole Time Directors have not availed any variable remuneration components.

vi. Affirmation that the remuneration is as per the remuneration policy of the company:

It is affirmed that the remuneration paid is as per the remuneration policy of the company.

viii. The Company has no employees in terms of remuneration drawn and the name of every employee, who-

1. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;
2. If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;
3. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

Annexure I

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDING ON 31/03/2023

1. **Brief outline on CSR Policy of the Company:**

   The policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in the local area. The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the company.

   Content of Policy:

   Focus Areas:

   While the company may undertake CSR activities in any areas listed under Schedule VII of the Companies Act, 2013, the focus areas of CSR activities should be on the following aspects:

   (i) Health Camps
   (ii) Environment protection
   (iii) Rain Water Harvesting
   (iv) Rural Transformation
   (v) Safe Drinking Water
   (vi) Promoting education, including special education and employment enhancing vocation skills
   (vii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans

2. **Composition of CSR Committee:**

   As the Company fall under the criteria mentioned in the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however as per sub-section 9 of section 135 of the Companies Act, 2013 where the amount to be spent by a company under sub-section (5) of Section 135 of the Companies Act, 2013 does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

   As in the Financial year 2022-23 the CSR amount to be spent by the Companyis below ₹ 50 lakhs, the Company has not constituted the Corporate Social Responsibility Committee and all the functions have been discharged by the Board of Directors of the Company.

3. **Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:**

   Web-link for policy: https://www.architorg.com/investorrelations/policy/2023/CSR%20Policy.pdf

   Web Link for CSR Projects: https://www.architorg.com/investorrelations/invester_comunication/2023/CSR%20Annual%20Action%20Plan%202022-23.pdf

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** Not Applicable

5. (a) **Average net profit of the company as per sub-section (5) of section 135:** ₹ 5,46,88,165/-

   (b) **Two percent of average net profit of the company as per sub-section (5) of section 135:** ₹ 10,93,763/-

   (c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** Not Applicable

   (d) **Amount required to be set-off for the financial year, if any:** Not Applicable

   (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 10,93,763/-

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): (Amount in ₹)**

Not Applicable

(b) **Amount spent in Administrative Overheads:** Nil

(c) **Amount spent on Impact Assessment, if applicable:** Nil

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** Nil

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount	Amount Unspent (in ₹)				
Spent for the Financial Year (in Rs.)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer
15,60,000	Not Applicable				

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

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
1.	Two percent of average net profit of the company as per sub-section (5) of section 135	10,93,763/-
2.	Total amount spent for the Financial Year	15,60,000/-
3.	Excess amount spent for the Financial Year [(ii)-(i)]	4,66,237/-
4.	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	0
5.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	4,66,237/-

3. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**Not Applicable

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

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

Place : Ahmedabad
Date: 26th June, 2023
REGISTERED OFFICE
PLOT NO. 25/9-A, PHASE III,
G.I.D.C. NARODA,
AHMEDABAD - 382 330

BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.

(KANDARP K. AMIN)
Chairman & Whole Time Director
DIN: 00038972

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
ARCHIT ORGANOSYS LIMITED,
Ahmedabad.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ARCHIT ORGAONSYS LIMITED** ("the Company"), which comprise the Standalone balance sheet as at 31st March 2023, and the Standalone statement of Profit and Loss(Including Other Comprehensive Income), Standalone statement of changes in equity and Standalone statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

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

Basis for Opinion

We conducted our audit in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

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

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

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

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

Management's Responsibility 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 financial statement 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure - A - a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, *except our comment mentioned in clause (i)(a) of "Annexure – A".*
   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity, and the Standalone Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;.
   (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and
   (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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 43 to the standalone financial statements;
      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
         (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
         (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
      (v) As stated in Note 21 to the standalone financial statements:
         (a) The final dividend proposed by the Board of directors and approved by shareholders of the company at the annual general meeting has been paid by the Company during the year which is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable

(vi) Proviso to Rule 3(1) of the Companies (Accountants) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly reporting under Rule 11(g) of the Companies Audit and Auditor Rules 2014 is not applicable for the financial year ended March 31, 2023.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

FOR G. K. CHOKSI & CO.
Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727
UDIN:23040727BGUVZU7006

Date : 12th May, 2023
Place : Ahmedabad

Annexure - A to the Independent Auditors' Report of even date on standalone financial statements of Archit Organosys Limited

(i) (a) (A) *According to the information and explanations given to us, the company is in the process of maintaining and updating the requisite records showing full particulars, including quantitative details, situation / locations and additions/deletions, of its Property, Plant and Equipment.*

(B) *According to the information and explanations given to us, the company is in the process of maintaining and updating the requisite records showing full particulars and additions/deletions of its intangible assets*.

(b) *We were informed that the fixed assets were not physically verified by the Management at reasonable intervals. Therefore, we are unable to comment on material discrepancies if any.*

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

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

(e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on such physical verification during the year.

(b) According to information and explanation given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. Quarterly return and statement filed by the Company with such banks or financial institutions are materially in agreement with the books of account of the company.

(iii) In respect of investment made by the company, providing any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year:

(a) During the year, the company has not provided any guarantee or security to companies, firms, limited liability partnership or any other parties. However, the Company has granted unsecured loans to subsidiary and other parties. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiary and other parties are as per the table given below:

[₹ in Lakhs]

Aggregate amount granted / provided during the year	Loans
Subsidiary	343.75
Others	487.40
Balance outstanding as at balance sheet date in respect of the above case	
Subsidiary	338.77
Others	9.32

(b) In respect of the investments and loans, the terms and conditions under which such loans were granted and investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company as such loans are repayable on demand. Therefore, in the absence of stipulation of repayment terms we are unable to comment on the regularity of repayment of principal and payment of interest.

(d) As per explanation given to us, the above loans granted are repayable on demand, hence there is no amount which is overdue more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The Company has granted loans to related parties as defined in section 2(76) of Companies Act, 2013, which are repayable on demand or without specifying any terms or period of repayment of principal and payment of interest as detailed hereunder:

Particulars	Promoters	Related Parties	Other Parties	All Parties
Aggregate amount of loans given and outstanding				
- Repayable on demand (A)	—	338.77	9.32	348.09
- Agreement does not specify any terms or period of repayment (B)	—	—	—	—
TOTAL (A+B)	**—**	**338.77**	**9.32**	**348.09**
Percentage of such loans to the total loans	**--**	**97.32**	**2.68**	**100.00**

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, wherever applicable with respect to the loans, investments, guarantees and securities.

(v) According to information and explanations given to us, the Company has not accepted any deposits as defined in the Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information given to us, In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities and There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable except the followings:

Statutory Due	₹ in Lacs
Provident Fund	0.81
Total :	0.81

(b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31st March, 2023 other than stated below:

Name of the Statute	Nature of Dues	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	29.15	A.Y. 2014-2015	CIT(A), Ahmedabad
		9.09	A.Y. 2015-2016	CIT(A), Ahmedabad
		0.04	A.Y. 2016-2017	CIT(A), Ahmedabad

(viii) According to information and explanations given to us, the Company has not surrendered or disclosed any unrecorded transaction as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

(ix) (a) According to the information and explanations given to us, the Company has raised loans and other borrowings from banks. As per the information and explanation given and represented by the management, we report that there are no default in case of any repayment of loans and borrowing.

(b) According to the information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, term loans were applied for the purpose for which the same were obtained.

(d) On an overall examination of the Ind AS Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) Accordingly to information and explanation provided to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations give to us, the Company has not made preferential allotment of shares during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received whistle- blower complaints during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the information and explanation provided to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports furnished by the internal auditors for the period under audit have been considered by us.

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

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

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

(xvii) In our opinion and according to the information and explanation provide to us, the Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.

(xviii) As per the applicable provisions under the Companies Act, 2013 for rotation of auditors, statutory auditor of the Company has mandatorily resigned and we have adequately considered the views expressed by the previous auditor in their communication.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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 information available and explanation provided up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.”

(xx) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

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

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Membership No. 040727
UDIN:23040727BGUVZU7006

Date : 12th May, 2023
Place : Ahmedabad

Annexure B" to the Auditors' Report

(Referred to in our Report of even date to the members of **Archit Organosys Limited**)

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

We have audited the internal financial controls over financial reporting **Archit Organosys Limited** ("the Company") as of 31 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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 G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727
UDIN:23040727BGUVZU7006

Date : 12th May, 2023
Place : Ahmedabad

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

[₹ in Lacs]

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	5	**4 956.46**	4 289.36
Right of Use Assets	6	**86.94**	216.06
Intangible assets	7	**0.00**	0.00
Capital work-in-progress	8	**1 378.94**	1 274.57
Financial assets			
- Investments	9	**374.54**	140.00
- Other financial assets	10	**39.43**	101.89
Other non-current assets	11	**99.40**	40.68
		6 935.71	6 062.56
Current assets			
Inventories	12	**338.13**	593.74
Financial assets			
- Trade receivables	13	**3 735.62**	2 735.31
- Cash and cash equivalents	14	**512.05**	534.97
- Loans	15	**348.09**	235.55
- Other financial assets	16	**28.82**	95.27
Other current assets	17	**35.84**	90.81
Current tax assets (Net)	18	**296.89**	0.94
Non current Assets held for sale	19	**16.44**	6.19
		5 311.88	4 292.78
Total Assets		**12 247.59**	10 355.34
Equity and liabilities			
Equity			
Equity share capital	20	**2 052.07**	2 052.07
Other equity	21	**4 133.30**	3 137.20
		6 185.37	5 189.27
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	22	**1 419.84**	1 220.97
Lease Liability	23	**43.59**	120.63
Provisions	24	**10.33**	26.83
Deferred tax liabilities (Net)	25	**175.72**	37.18
		1 649.48	1 405.61
Current liabilities			
Financial liabilities			
- Borrowings	26	**1 675.10**	1 991.15
Lease Liability	27	**2.34**	64.17
- Trade Payables	28		
total outstanding dues of micro enterprises and small enterprises		**90.78**	12.95
total outstanding dues of creditors other than micro enterprises and small enterprises		**2 036.00**	1 342.88
- Other financial liabilities	29	**260.37**	277.65
Other current liabilities	30	**66.17**	32.87
Provisions	31	**28.04**	31.05
Current-tax liabilities	32	**253.94**	7.74
		4 412.74	3 760.46
Total liabilities		**6 062.22**	5 166.07
Total equity and liabilities		**12 247.59**	10 355.34

The accompanying notes form an integral part of these financials statements

As per our attached report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants
SANDIP A. PARIKH
Partner
Mem. No. 40727
Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

[₹ in Lacs]

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	33	**12 778.29**	13 790.07
Other income	34	**192.37**	192.01
Total income		**12 970.66**	13 982.08
Expenses			
Cost of materials consumed	35	**3 923.85**	5 529.65
Purchases of traded goods	36	**3 720.47**	4 171.74
Changes in inventories of finished goods and work-in-progress	37	**65.02**	(18.45)
Employee benefits expense	38	**736.72**	651.31
Finance costs	39	**220.91**	244.05
Depreciation and amortization expense	40	**483.14**	468.62
Other expenses	41	**2 441.93**	1 792.62
Total expenses		**11 592.04**	12 839.54
Profit/(loss) before exceptional items and tax		**1 378.62**	1 142.54
Exceptional items		**164.96**	0.00
Profit/(loss) before tax		**1 543.58**	1 142.54
Tax expense:			
Current tax		**265.00**	145.00
Deferred tax	25	**268.99**	312.20
MAT credit entitlement (net of utilisation)	25	**(133.13)**	(137.82)
Income tax expense		**400.86**	319.38
Profit /(Loss) for the year		**1 142.72**	823.16
Other comprehensive income			
Items not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		**9.97**	3.25
tax relating to remeasurement of the defined benefit plans	25	**(2.67)**	(0.87)
Other comprehensive income/ (expense) for the year		**7.30**	2.38
Total comprehensive income for the year		**1 150.02**	825.54
Earnings per equity share			
Basic earnings per equity shares	42	**5.57**	4.01
Diluted earnings per equity shares		**5.57**	4.24

The accompanying notes form an integral part of these financials statements

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

[₹ in Lacs]

Particulars	2022-2023	2021-2022
A. Cash flow from operating activities:		
Profit/(Loss) for the year before taxation	**1 543.58**	1 142.54
Adjustments for		
Depreciation on Property, Plant and Equipments	**427.00**	402.05
Depreciation on Right of Use Assets	**56.14**	66.57
Finance Cost (Borrowings and others)	**204.64**	221.14
Finance Cost (Right of Use Assets)	**16.27**	22.91
Income on investments measured at FVTPL	**(44.54)**	0.00
Interest Income	**(36.90)**	(46.05)
Derecognition Of Lease Liability	**(16.42)**	(4.92)
Loss / (Profit) on sale of Fixed Assets / Asset Impaired	**(173.26)**	48.32
Remeasurement gain/(loss) on defined benefit plans	**9.97**	3.25
Net Foreign Exchange Differences	**(22.45)**	(39.25)
Bad Advances written off	**0.00**	(48.60)
Provision for Doubtful Debts	**0.29**	10.37
Sundry Balance Written Back	**0.35**	(1.15)
Sundry Balance Written Off	**(5.32)**	1.40
Operating profit before working capital changes	**1 959.35**	1 778.58
Adjustments for Changes in working capital		
Decrease / (Increase) in Inventories	**255.61**	(239.81)
Decrease / (Increase) in Other Non current financial assets	**62.46**	(19.66)
Decrease / (Increase) in Other Non current assets	**(58.72)**	(24.39)
Decrease / (Increase) in Other Non current assets held for sale	**(10.25)**	(0.69)
Decrease / (Increase) in Other current financial asset	**59.18**	23.72
Decrease / (Increase) in Other current assets	**54.97**	(21.71)
Decrease / (Increase) in Loans	**(112.54)**	(233.40)
Decrease / (Increase) in Trade Receivables	**(972.83)**	(161.89)
Increase / (Decrease) in Trade Payables	**770.60**	(114.50)
Increase / (Decrease) in Other current financial liabilities	**(17.28)**	209.25
Increase / (Decrease) in Other current liabilities	**33.30**	9.49
Increase / (Decrease) in Provision	**(19.51)**	3.84
Cash generated from operations	**2 004.34**	1 208.83
Direct taxes Refund/(paid)	**(314.74)**	(146.64)
Net cash from operating activities **[A]**	**1 689.60**	1 062.19
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(1 287.28)	(107.54)
Purchase of Capital Work-in-progress	**(104.37)**	(976.42)
(Purchase) / Sale of ROU Assets	**72.98**	0.00
Purchase of Investments	**(190.00)**	(110.00)
Sale of Property, Plant and Equipments	**366.44**	10.00
Interest received	**44.17**	32.39
Net Cash from / (used in) investing activities [B]	**(1 098.06)**	(1 151.57)

[₹ in Lacs]

Particulars		2022-2023	2021-2022
C.	**Cash flow from financing activities**		
	Procurement/(Repayment) of long/ short term borrowings	**(117.18)**	224.72
	Issue of Equity Share Capital	**0.00**	412.50
	Dividend paid	**(153.91)**	(102.60)
	Lease payments Rent Paid	**(138.73)**	(70.10)
	Interest paid	**(204.64)**	(221.14)
	Net cash flow from financial activities **[C]**	**(614.46)**	243.38
	Net Increase/(Decrease) in cash and cash equivalents **[A+B+C]**	**(22.92)**	154.00
	Cash and cash equivalents opening	**534.97**	380.97
	Cash and cash equivalents closing	**512.05**	534.97
	Components of cash and cash equivalent		
	Balances with scheduled banks	**12.01**	34.58
	Cheques on Hand	**491.57**	463.74
	Cash in hand	**8.35**	6.78
	Fixed Deposits	**0.12**	29.87
		512.05	534.97

Explanatory Notes to Cash Flow Statement

1 The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Indian Accounting Standard 7.

2 In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.

3 Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

4 Disclosure of debt reconciliation statement in accordance with IND AS 7

[₹ in lacs]

Particulars	As at 1st April, 2022	Net Cash flow	Non-cash changes	As at 31st March, 2023
Borrowings	**3 212.12**	**(110.48)**	**(6.70)**	**3 094.94**

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity share capital

[₹ in Lacs]

As at April 1, 2021	**1 502.07**
Changes in equity share capital during the current year	550.00
As at March 31, 2022	**2 052.07**
Changes in equity share capital during the current year	0.00
As at March 31, 2023	**2 052.07**

B. Other equity

[₹ in Lacs]

Particulars	Reserves and Surplus						
	Retained earnings	Security premium	Capital Redemption Reserve	General Reserve	Other comprehensive income, (Remeasurement of employee benefits)	Money Received Against Share Warrant	Total equity
Balance as at April 1, 2021	554.79	1 854.66	6.77	1.50	(3.46)	137.50	**2 551.76**
Add: Profit / (Loss) for the year	823.16	0.00	0.00	0.00	0.00	0.00	**823.16**
Money Received	0.00	0.00	0.00	0.00	0.00	137.50	**137.50**
Less : Other comprehensive income for the year	0.00	0.00	0.00	0.00	2.38	0.00	**2.38**
Transfer to Share Capital pursuant to preferential share warrants	0.00	0.00	0.00	0.00	0.00	(137.50)	**(137.50)**
Dividend paid	(102.60)	0.00	0.00	0.00	0.00	0.00	**(102.60)**
Balance as at March 31, 2022	**1 275.35**	**1 854.66**	**6.77**	**1.50**	**(1.08)**	**0.00**	**3 137.20**
Add: Profit / (Loss) for the year	1 142.72	0.00	0.00	0.00	0.00	0.00	**1 142.72**
Less : Other comprehensive income for the year	0.00	0.00	0.00	0.00	7.30	0.00	**7.30**
Dividend paid	(153.91)	0.00	0.00	0.00	0.00	0.00	**(153.91)**
Balance as at March 31, 2023	**2 264.16**	**1 854.66**	**6.77**	**1.50**	**6.22**	**0.00**	**4 133.30**

The accompanying notes form an integral part of these financials statements

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

NOTES TO STANDALONE FINANCIALS STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Note 1: Company Overview

Archit Organosys Limited is a Public Company, domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The company's shares are listed on Bombay Stock Exchange the Company is mainly engaged in the business of Manufacturing and Trading of Chemicals. The registered office of the Company is located at Plot No 25/9-A Phase-III, GIDC Naroda, Ahmedabad 382330.

The Standalone financial statements for the year ended March 31, 2023 were considered by the Board of Directors and approved for issuance on 12th May, 2023.

Note 2: Basis of Preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statements. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

The standalone financial statements are prepared in INR and all the values are rounded to the nearest lakhs, except when otherwise indicated.

2.1 Statement of Compliance

The standalone financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2023 have been prepared in accordance with Ind AS as notified under section 133 of the Companies' Act, 2013 ("the Act") and approved by Board of directors on 12th May, 2023.

2.2 Basis of Measurement

The standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

(a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.

(b) The defined benefit asset/liability is recognized as the present value of defined benefit obligation less fair value of plan assets.

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.16.

2.3 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (‘) and all values are rounded to the nearest lakhs as per the requirement of Schedule III, except when otherwise indicated.

2.4 Recent Accounting Pronouncements:

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. (The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements).

Ind AS 12- Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. (The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements).

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. (The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements).

Note 3: Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

Critical Accounting Estimates and Judgments

In the process of applying the Company’s accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements.

(i) Contingences and Commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, such liabilities are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the management do not expect them to have a materially adverse impact on our financial position or profitability.

(ii) Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iii) Employee Benefits

Discount rate used to determine the carrying amount of the Company’s defined benefit obligation.

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

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems it not to be collectible.

(v) Allowance for uncollectible trade receivables

Provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix.

(vi) Impairment of Property, Plant & Equipment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

(vii) Litigations

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

(viii) Useful Life of Property, Plant and Equipment

As described in Note 4.3, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Note 4: Significant Accounting Policies

4.1 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

(a) Financial Assets

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

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

(i) Financial assets measured at amortized Cost:

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

(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

(b) Financial Liabilities

Initial Recognition and Measurement

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:

Financial Liabilities are classified for subsequent measurement into following categories:

(i) Financial liabilities at Amortized Cost:

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

(ii) Financial liabilities at Fair Value through Profit or Loss:

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

De-recognition of Financial Liabilities:

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

(c) Offsetting of Financial assets and Financial Liabilities

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

(d) Reclassification of Financial Assets and Financial Liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

4.2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

4.3 Property, Plant and Equipment

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of goods or services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold land classified under right-of-assets is amortized over the period of lease i.e. 99 years.

Derecognition of Property, Plant and Equipment

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

4.4 Intangible assets

Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Type of Asset	Useful Life
Computer software	3 years

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit and loss when the asset is de-recognised.

4.5 Inventories

(i) Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location.

(ii) Stock of stores, spares, consumable and packing materials are valued at cost.

4.6 Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured though a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

(b) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

4.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

4.8 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods

(i) Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Variable Consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at the time of completion of performance obligation and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) The Company accounts for pro forma credits, refunds of duty of customs or refunds of sales tax/ GST in the year of admission of such claims by the concerned authorities.

(iii) Export benefits are classified as other operating income and recognized on accrual basis in the year of export based on eligibility and when there is no uncertainty on receiving the same.

Interest Income

Interest income is recognised using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

4.9 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets ("ROU Assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in 4.6 Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head “Other Financial Liabilities”.

iii Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.10 Foreign Currency Translation

The functional currency of the Company is the Indian Rupee (‘).

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

(ii) exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements of the Company for the period immediately before the beginning of the first Ind AS financial reporting period (prior to 1st April, 2016), as per the previous GAAP, pursuant to the Company’s choice of availing the exemption as permitted by Ind AS 101.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

4.11 Borrowing Costs

Borrowing costs include

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of finance leases, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

4.12 Employee benefits

(a) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund and employee state insurance b) defined benefit plans - gratuity plans

(i) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employee State Insurance and Employees Death Linked Insurance, the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

4.13 Income Taxes

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

(i) Current tax

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

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4.14 Derivative financial instruments

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

4.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

4.16 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

(a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

(b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

(c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(b) Trade and other receivables

The fair value of trade and other receivables, excluding construction contracts in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

4.17 Current / non- current classification

An asset is classified as current if:

(a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realized within twelve months after the reporting period; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

4.18 Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

Notes to standalone financials statements for the year ended 31 March 2023

Note 5 - Property, plant and equipment

Note 5.1 : As at March 31, 2023

[₹ in Lacs]

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at 01/04/2022	Additions	Deduction Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deduction Adjustments	Upto 31/03/2023	31/03/2023
Owned Assets									
Freehold land	82.98	0.00	0.00	**82.98**	0.00	0.00	0.00	**0.00**	**82.98**
Buildings	1 487.75	511.62	45.11	**1 954.26**	272.76	52.35	18.83	**306.28**	**1 647.98**
Plant & Machinery	3 980.47	754.59	271.84	**4 463.22**	1 163.14	339.62	105.91	**1 396.85**	**3 066.37**
Office Equipments	33.32	18.75	8.86	**43.21**	23.76	4.44	7.89	**20.31**	**22.90**
Computer	9.87	1.29	0.00	**11.16**	8.43	0.55	0.00	**8.98**	**2.18**
Furnitures and Fixtures	67.68	1.02	0.00	**68.70**	30.05	6.31	0.00	**36.36**	**32.34**
Vehicles	148.76	0.00	0.00	**148.76**	32.21	17.39	0.00	**49.60**	**99.16**
Leasehold Improvements	50.81	0.00	0.00	**50.81**	41.93	6.33	0.00	**48.26**	**2.55**
	5 861.64	1 287.27	325.81	**6 823.10**	1 572.28	426.99	132.63	**1 866.64**	**4 956.46**

Note 5.1 : As at March 31, 2022

[₹ in Lacs]

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at 01/04/2021	Additions	Deduction Adjustments	As at 31/03/2022	Upto 31/03/2021	For the year	Deduction Adjustments	Upto 31/03/2022	31/03/2022
Owned Assets									
Freehold land	82.98	0.00	0.00	**82.98**	0.00	0.00	0.00	**0.00**	**82.98**
Buildings	1 585.58	0.00	97.83	**1 487.75**	276.85	51.73	55.82	**272.76**	**1 214.99**
Plant & Machinery	4 004.08	0.00	23.61	**3 980.47**	859.91	315.94	12.71	**1 163.14**	**2 817.33**
Office Equipments	30.11	3.21	0.00	**33.32**	19.26	4.50	0.00	**23.76**	**9.56**
Computer	8.73	1.14	0.00	**9.87**	8.03	0.40	0.00	**8.43**	**1.44**
Furnitures and Fixtures	67.10	0.58	0.00	**67.68**	23.82	6.23	0.00	**30.05**	**37.63**
Vehicles	74.67	102.59	28.50	**148.76**	43.29	12.02	23.10	**32.21**	**116.55**
Leasehold Improvements	50.81	0.00	0.00	**50.81**	30.73	11.20	0.00	**41.93**	**8.88**
	5 904.06	107.52	149.94	**5 861.64**	1 261.89	402.02	91.63	**1 572.28**	**4 289.36**

Note :

1. The legal ownership of vehicle is in the name of directors on behalf of company.
2. All the title deeds for the immoveable property are in the name of the Company.

Note 6 : Right of Use Asset

Note 6.1 : As at March 31, 2023

[₹ in Lacs]

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at 01/04/2022	Additions	Deduction Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deduction Adjustments	Upto 31/03/2023	31/03/2023
ROU Asset									
Land	56.79	0.00	0.00	**56.79**	10.81	0.55	0.00	11.36	**45.43**
Building	281.77	0.00	281.77	**0.00**	156.66	52.13	208.79	0.00	**0.00**
Godown	58.04	0.00	0.00	**58.04**	13.07	3.46	0.00	16.53	**41.51**
	396.60	0.00	281.77	**114.83**	180.54	56.14	208.79	27.89	**86.94**

Note 6.1 : As at March 31, 2022

[₹ in Lacs]

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at 01/04/2021	Additions	Deduction Adjustments	As at 31/03/2022	Upto 31/03/2021	For the year	Deduction Adjustments	Upto 31/03/2022	31/03/2022
ROU Asset									
Land	56.79	0.00	0.00	**56.79**	10.26	0.55	0.00	10.82	**45.98**
Building	152.91	128.86	0.00	**281.77**	94.10	62.56	0.00	156.66	**125.11**
Godown	28.82	29.22	0.00	**58.04**	9.61	3.46	0.00	13.07	**44.97**
	238.52	158.08	0.00	**396.60**	113.97	66.57	0.00	180.54	**216.06**

Note 7 : Intangible assets
Note 7.1 : As at March 31, 2023

[₹ in Lacs]

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at 01/04/2022	Additions	Deduction Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deduction Adjustments	Upto 31/03/2023	31/03/2023
Owned Assets									
Software	5.25	0.00	0.00	**5.25**	5.25	0.02	0.00	**5.25**	**0.00**
	5.25	0.00	0.00	**5.25**	5.25	0.02	0.00	**5.25**	**0.00**

Note 7.1 : As at March 31, 2022

[₹ in Lacs]

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at 01/04/2021	Additions	Deduction Adjustments	As at 31/03/2022	Upto 31/03/2021	For the year	Deduction Adjustments	Upto 31/03/2022	31/03/2022
Owned Assets									
Software	5.25	0.00	0.00	**5.25**	5.23	0.02	0.00	**5.25**	**0.00**
	5.25	0.00	0.00	**5.25**	5.23	0.02	0.00	**5.25**	**0.00**

Note 8 : Capital Work in Progress
Note 8.1 : As at March 31, 2023

[₹ in Lacs]

Particulars	As at April 01, 2022	Additions during the year	Deduction/ Adjustment during the year	Capitalised	As at March 31, 2023
Building	98.96	249.23	0.00	0.00	**348.19**
Plant And Machinery	1 175.61	475.82	0.00	620.68	**1 030.75**
Total :	**1 274.57**	**725.05**	**0.00**	**620.68**	**1 378.94**

Note 8.1 : As at March 31, 2022

[₹ in Lacs]

Particulars	As at April 01, 2021	Additions during the year	Deduction/ Adjustment during the year	Capitalised	As at March 31, 2022
Building	0.00	98.96	0.00	0.00	**98.96**
Plant And Machinery	298.15	877.46	0.00	0.00	**1 175.61**
Total :	**298.15**	**976.42**	**0.00**	**0.00**	**1 274.57**

CWIP Aging Schedule

[₹ in Lacs]

CWIP	Amount in CWIP as at 31st March, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	619.47	759.47	0.00	0.00	1 378.94
Projects Temporarily suspended	0.00	0.00	0.00	0.00	0.00

[₹ in Lacs]

CWIP	Amount in CWIP as at 31st March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	976.42	298.15	0.00	0.00	1 274.57
Projects Temporarily suspended	0.00	0.00	0.00	0.00	0.00

Note : There is no capital work-in-progress is being overdue or has exceeded its cost compared to its original plan

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 9 : Investments (Non-Current)		
Investment in Equity Instruments (Unquoted)		
Subsidiaries at deemed cost		
Archit Life Science Limited	**10.00**	0.00
1,00,000 (March 31, 2022: N.A.) Shares of ₹ 10/- each fully paid up		
Investments at Fair Value Through Profit or Loss (Quoted)		
Alternate Investment fund *(Refer note below)*	**364.54**	140.00
Total :	**374.54**	140.00
Aggregate value of Unquoted Investments	**10.00**	0.00
Aggregate book value of Quoted Investments	**320.00**	140.00
	330.00	140.00
Aggregate amount of investments and market value thereof	**364.54**	140.00
Note 9.1: Investment in Alternative investment fund		
Investment in Alternative investment fund at FVTPL		
Beams Fintech Fund-I	**50.00**	0.00
MNCL Capital Compounder Fund -I	**102.04**	0.00
9unicorns Accelerator Fund-I	**212.50**	140.00
Total :	**364.54**	140.00
Note 10 : Other Financial Assets (Non-Current)		
Security deposits	**36.97**	89.15
Advance Rental	**2.46**	12.74
Total:	**39.43**	101.89
The amount dues by :		
Directors	**17.91**	61.52
Officers either severally or jointly with other persons	**NIL**	NIL
Firms or private companies in which any director is partner or director or a member.	**NIL**	NIL
Note 11 : Other assets (Non-Current)		
Capital advances	**99.40**	40.68
Total:	**99.40**	40.68
Note 12 : Inventories		
Raw Materials	**69.36**	269.01
Stock in Progress	**84.96**	174.35
Finished Goods	**130.97**	107.40
Stock-in-Trade	**15.45**	14.65
Packing Materials	**13.95**	24.97
Consumable Stores	**23.44**	3.36
Total :	**338.13**	593.74

Inventory items have been valued considering the significant accounting policy disclosed in note 4(4.5) to this financial statement.

NOTES TO STANDALONE FINANCIALS STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 13 : Trade Receivable		
Unsecured, considered good		
Low Credit Risk	**3 748.35**	2 747.75
Significant increase in Credit Risk	**0.00**	0.00
Credit Impaired	**92.09**	100.26
Less: Loss Allowance	**(92.09)**	(100.26)
	3 748.35	2 747.75
Less: Allowance for Expected Credit Losses *[Refer note 50(a)]*	**(12.73)**	(12.44)
Total:	**3 735.62**	2 735.31
Included in the financial statement as follows:		
Non-current	**0.00**	0.00
Current	**3 735.62**	2 735.31
Total:	**3 735.62**	2 735.31

The company does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

Note 13.1 : Trade Receivable Ageing

Trade receivable ageing schedule as at 31st March, 2023

[₹ in Lacs]

Particulars	Outstanding for following periods from date of transaction						
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
considered good	116.59	3 320.88	125.17	0.04	0.00	185.67	3 748.35
which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
credit impaired	0.00	0.00	0.00	0.00	0.00	92.09	92.09
Disputed Trade receivables							
considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Trade receivable ageing schedule as at 31st March, 2022

[₹ in Lacs]

Particulars	Outstanding for following periods from date of transaction						
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
considered good	0.00	2 490.20	52.87	13.75	131.86	59.07	2 747.75
which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
credit impaired	0.00	0.00	0.00	2.50	5.67	92.09	100.26
Disputed Trade receivables							
considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 14 : Cash and cash equivalents		
Balance with Schedule Bank		
In current account / Cash Credit Account	**12.01**	34.58
Cheques on hand	**491.57**	463.74
Cash in hand	**8.35**	6.78
Fixed Deposits (maturity of less than three months)	**0.12**	29.87
Total:	**512.05**	534.97

Particulars	As at 31 March 2023	As at 31 March 2022
Note 15 : Loans (Current)		
Loans Receivable considered good - Unsecured		
Low Risk	**348.09**	235.55
Significant increase in Credit Risk	**0.00**	0.00
Credit Impaired	**0.00**	0.00
Total:	**348.09**	235.55

The company does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

Particulars	As at 31 March 2023	As at 31 March 2022
Note 16 : Other Financial Assets (current)		
Security deposits	**0.90**	0.88
Subsidy Receivables	**0.00**	38.75
Interest accrued	**1.90**	9.17
Other Recoverable - Unsecured		
Low Risk	**26.02**	46.47
Significant increase in Credit Risk	**0.00**	0.00
Credit Impaired	**0.00**	0.00
Less: Loss Allowance	**0.00**	0.00
	26.02	46.47
Total:	**28.82**	95.27

Particulars	As at 31 March 2023	As at 31 March 2022
Note 17 : Other Current Assets		
Advances to suppliers	**6.77**	7.20
Prepaid expenses	**7.74**	13.76
Balances with Revenue authorities	**21.33**	69.85
Total:	**35.84**	90.81

The company does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

Particulars	As at 31 March 2023	As at 31 March 2022
Note 18 : Current tax assets (Net)		
Advance tax & TDS	**296.89**	46.94
Less: Provision for taxation	**0.00**	46.00
Total:	**296.89**	0.94

Particulars	As at 31 March 2023	As at 31 March 2022
Note 19 : Non current Assets held for sale		
Planrt and Machinery	**16.44**	6.19
Total:	**16.44**	6.19

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 20 : Equity share capital		
Authorised share capital		
Equity Share Capital		
2,50,00,000 (March 31, 2022 : 2,50,00,000) Equity Shares of ₹ 10/- each	**2 500.00**	2 500.00
Issued share capital		
2,05,63,300 (March 31, 2022: 2,05,63,300) Equity Shares of ₹ 10/ each	**2 056.33**	2 056.33
Subscribed and fully paid up Equity Share Capital		
2,05,20,723 (March 31, 2022: 2,05,20,723) equity Shares of ₹ 10/- each fully paid up	**2 052.07**	2 052.07
	2 052.07	2 052.07

Note 20.1 : Equity share capital

During the period of five financial years immediately preceding the Balance Sheet date,

(i) The Company has not allotted any fully paidup equity shares by way of bonus shares;

(ii) The Company has not allotted any equity shares pursuant to any contract without payment being received in cash;

(iii) The company has not bought back any equity shares

Note 20.2 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

At the beginning of the year	**2 05 20 723**	1 50 20 723
Add : Shares issued pursuant to preferential share warrants	**0**	55 00 000
	2 05 20 723	2 05 20 723
Less : Shares bought back / Redemption / Forfeited	**0**	0
At the end of the year	**2 05 20 723**	2 05 20 723

Note 20.3 Details of shareholders holding more than 5% Shares in the company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Kandarp K. Amin	**41 91 324**	**20.42**	36 71 295	17.89
Archana K. Amin	**43 70 515**	**21.30**	38 70 515	18.86
Suchit K. Amin	**16 16 195**	**7.88**	16 16 195	7.88
Archit K. Amimn	**16 20 395**	**7.90**	16 20 395	7.90

Note 20.4 Rights, Preferences and Restrictions

The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

Equity Shares : The Company has only class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

Note 20.5 Details of Promoters holding in the company

Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Kandarp K. Amin	**41 91 324**	**20.42**	36 71 295	17.89	14.16
Archana K. Amin	**43 70 515**	**21.30**	38 70 515	18.86	12.92
Suchit K. Amin	**16 16 195**	**7.88**	16 16 195	7.88	-
Archit K. Amin	**16 20 395**	**7.90**	16 20 395	7.90	-
Manini S. Amin	**5 00 000**	**2.44**	5 00 000	2.44	-
Shimoli A. Amin	**5 00 000**	**2.44**	5 00 000	2.44	-

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 21 : Other Equity		
Reserve and Surplus		
Retained Earnings (Including other comprehensive Income)	**2 270.37**	1 274.27
Securities Premium	**1 854.66**	1 854.66
Capital Reserve	**6.77**	6.77
General Reserve	**1.50**	1.50
Money Received against share warrants *(Refer note 21.5 below)*	**0.00**	0.00
Total	**4 133.30**	3 137.20
Note 21.1 : Other Equity *…Detailed..*		
Retained Earnings		
Balance as per previous financial statements	**1 274.27**	551.33
Add : Profit / (Loss) for the year	**1 142.72**	823.16
Add / (Less) : OCI for the year (net of tax)	**7.30**	2.38
Balance available for appropriation	**2 424.28**	1 376.87
Less: Dividend Paid during the year	**153.91**	102.60
Total:	**2 270.37**	1 274.27
Note 21.2 : Securities Premium		
Opening Balance	**1 854.66**	1 854.66
Addition / (Deduction) during the year	**0.00**	0.00
Balanace at the end of the year	**1 854.66**	1 854.66
Note 21.3 : Capital Reserve		
Opening Balance	**6.77**	6.77
Addition / (Deduction) during the year	**0.00**	0.00
Balanace at the end of the year	**6.77**	6.77
Note 21.4 : General Reserve		
Opening Balance	**1.50**	1.50
Add : Addition / (Deduction) during the year	**0.00**	0.00
Balanace at the end of the year **Total:**	**1.50**	1.50
Note 21.5 : Money Received against share warrants		
Opening Balance	**0.00**	137.50
Add : Addition during the year	**0.00**	0.00
Less: Transferred to share capital	**0.00**	(137.50)
Balance at the end of the year **Total:**	**0.00**	0.00

Retained Earnings

The retained earnings reflect the profit of the Company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013

Securities Premium

Securities premium reserve is the premium received on issue of shares. These reserve is utilized in accordance with the provisions of the Companies, Act, 2013

Capital Reserve

Capital Reserve is created out of forfeiture of equity shares.

General Reserve

General reserve was created by transfer of profits as per Companies (Transfer of Profits to Reserve) Rules, 1975. It is a transfer from one component of equity that is retained earnings for appropriation purpose.

Dividend

The company has recommended the dividend @ 5.0% (₹ 0.50/- per equity share) on equity shares of ₹ 10.00 each for the year ended 31st March, 2023.

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 22 : Borrowings (Non-Current)		
Secured Loans		
From Banks		
Term Loans	**1 893.80**	1 984.69
Vehicle Loans	**12.55**	20.43
	1 906.35	2 005.12
From Others		
Vehicle Loans	**42.98**	52.67
Total:	**1 949.33**	2 057.79
Less: Current maturities of long term debts		
Secured Loans		
From Banks		
Term loans	**510.98**	817.81
Vehicle Loans	**8.12**	9.32
	519.10	827.13
From Others		
Vehicle Loans	**10.39**	9.69
Total:	**529.49**	836.82
	1 419.84	1 220.97

Details of security and repayment thereof

Note 22.1 : Nature of Security

Term Loans

The Term loans including current maturities amounting to ₹ 1,893.80 lacs (P.Y. ₹ 1,984.69 lacs) from Union Bank of India is secured Union Bank of India is secured by way of hypothecation of plant and machinery created out of project and further secured by factory land and building situated at Bhavnagar and also personal guarantee of Director.

Vehicle Loans

The Loans including current maturities amounting to ₹ 55.53 lacs (P.Y. ₹ 73.10 lacs) are secured against Vehicles.

Note 22.2 : Terms of Repayment of Loans and Rate of Interest

Term Loan

The Company has availed five different loans from Union Bank of India for acquisition for building, plant and machineries and working capital for which the terms of repayable are as under :

Account No. 1163 : Repayable in 62 monthly instalments in step-up method commencing from November, 2017. Last Instalment due on December, 2023. Rate of interest 10.50% as at period end. (P.Y. 9.00%).

Account No. 1174 : Repayable in 62 monthly instalments in step-up method commencing from November,2017. Last Instalment due on December, 2023. Rate of interest 10.50% as at period end. (P.Y. 9.00%).

Account No. 0031 : Repayable in 36 monthly instalments in equated monthly instalment commencing from September,2020. Last Instalment due on October, 2024. Rate of interest 7.50% as at period end. (P.Y. 7.50%).

Account No. 1195 : Repayable in 72 monthly instalments in step-up method commencing from June, 2022. Last Instalment due on May, 2028. Rate of interest 10.50% as at period end. (P.Y. NA).

Account No. 0068 : Repayable in 36 monthly instalments of ₹ 20,68,444/-. monthly instalment commencing from July, 2024. Last Instalment due on June, 2027. Rate of interest 7.50% as at period end. (P.Y. 7.50%).

Vehicle Loan

Union Bank of India

Loan is repayable in 36 equated monthly instalments of ' 77,650/- commencing from August, 2021 and last instalment falls due on July, 2024. Rate of interest 7.40% as at period end. (P.Y. 7.40%).

Toyota Financial Services India Ltd.Loan is repayable in monthly instalments of ₹ 1,08,907/- commencing from January, 2022 and last instalment falls due on December, 2026.Rate of interest 7.01%as at period end. (P.Y. 7.01%).

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 23 : Lease Liability (Non Current)		
Lease Liability	**43.59**	120.63
Total:	**43.59**	120.63
Note 24 : Provisions (Non- Current)		
Provision For Gratuity	**48.24**	47.29
Less : Plan Assets	**(37.91)**	(20.46)
Total:	**10.33**	26.83
Note 25 : Income Taxes		
A. The major components of income tax expense for the year as under :		
(i) Income tax recognised in the statement of Profit and Loss		
Current tax:		
Expenses for current year	**265.00**	145.00
MAT Credit availed/utilised during the year	**(133.13)**	(137.82)
Deferred tax:		
Deferred tax for current year	**268.99**	312.20
	400.86	319.38
(ii) **Income tax expense recognised in other comprehensive income (OCI)**		
Remeasurement Gains/(Losses) on defined benefit plans	**(2.67)**	(0.87)
	(2.67)	(0.87)
B. Reconciliation of effective tax rate :		
Profit / (Loss) before tax	**1 543.58**	1 142.53
Income tax calculated at 27.82% (P.Y. 27.82%)	**429.43**	317.85
Tax effect on non-deductible expenses	**0.00**	12.65
Unabsorbed Depreciation	**(185.44)**	(301.78)
Others (Net)	**156.87**	290.65
	400.86	319.37
Effective tax Rate (%)	**25.97**	27.95
C. Deferred Tax		
Deferred Tax Assets		
Disallowance u/s. 43(b) under income tax act, 1961	**8.00**	15.53
Unamortized Processing Fees	**2.11**	0.69
Unabsorbed depreciation	**0.00**	166.83
Lease Liability	**1.23**	3.95
MAT Credit Entitlement	**380.69**	247.56
	392.03	434.56
Deferred Tax Liabilities		
Depreciable assets	**567.75**	471.74
	567.75	471.74
Net Deferred Tax Liability / (Asset)	**(175.72)**	**(37.18)**

Movement of Deferred Tax Liabilities / (Assets) during the year

[₹ in Lacs]

Year ended 31st March 2023	Opening Balance as at 1st April, 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at 31st March, 2023
Deferred Tax (liabilities) / assets in relation to				
Property, Plant and Equipment's	(471.74)	(96.01)	0.00	(567.75)
Unabsorbed Depreciation	166.83	(166.83)	0.00	0.00
Unamortized Cost adjusted on borrowings	0.69	1.42	0.00	2.11
Provision for Employee benefit expense	15.53	(4.85)	(2.67)	8.01
Lease Liability	3.95	(2.72)	0.00	1.23
MAT Credit Entitlement	247.56	133.13	0.00	380.69
	(37.18)	**(135.86)**	**(2.67)**	**(175.71)**

Year ended 31st March 2022	Opening Balance as at 1st April, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at 31st March, 2022
Deferred Tax (liabilities) / assets in relation to				
Property, Plant and Equipment's	(491.03)	19.29	**0.00**	(471.74)
Unabsorbed Depreciation	502.41	(335.58)	**0.00**	166.83
Unamortized Cost adjusted on borrowings	0.69	0.00	**0.00**	0.69
Provision for Employee benefit expense	14.50	1.90	**(0.87)**	15.53
Lease Liability	1.76	2.19	**0.00**	3.95
MAT Credit Entitlement	109.74	137.82	**0.00**	247.56
	138.07	**(174.38)**	**(0.87)**	**(37.18)**

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 26 : Borrowings (Current)		
Secured		
Working capital facilities from bank	**1 145.61**	1 154.33
Current Maturities of Long Term Borrowings *(Refer Note 23)*	**529.49**	836.82
Total:	**1 675.10**	1 991.15

Terms of working capital from banks

The Working Capital Loans amounting to ₹ 1145.61 lacs (P.Y. ₹ 1154.33 lacs) are secured by Hypothecation of Book Debts, Bills and Stock . Further it is secured by Factory Land and Building on plot No. 25/9/B & A Phase III GIDC Naroda, Naroda, Survey No. 221/p,222/P,229/p Ahmedabad in the name of Company. Admeasuring : Plot Area (25/9/A): 3959 Sq Mts Plot Area (25/9/B) : 3631 Sq mts. Further it is secured by personal guarantee of Directors.

Note 27 : Lease Liability (Current)		
Lease Liability	**2.34**	64.17
Total:	**2.34**	64.17

Note 28 : Trade Payables		
Current		
Due to Micro and Small Enterprise (Refer Note 54)	**90.78**	12.95
Others	**2 036.00**	1 342.88
Total:	**2 126.78**	1 355.83

Note 28.1 Trade Payable Ageing

Particulars	Outstanding for following periods from date of transaction					
	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31st March, 2023						
MSME	**0.00**	**90.78**	**0.00**	**0.00**	**0.00**	**90.78**
Others	**0.00**	**2 021.48**	**10.98**	**3.23**	**0.31**	**2 036.00**
Disputed Dues - MSME	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Disputed Dues - Others	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
As at 31st March, 2022						
MSME	0.00	12.95	0.00	0.00	0.00	12.95
Others	13.47	1 322.05	6.14	0.57	0.65	1 342.88
Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00	0.00

[₹ in Lacs]

Particulars	As at 31 March 2023	As at 31 March 2022
Note 29 : Other Financial Liabilities (Current)		
Payable towards Capital Goods	**67.56**	194.96
Derivative not recognized as hedge	**0.00**	1.72
Other Payable	**192.81**	80.97
Total:	**260.37**	277.65
Note 30 : Other Current liabilities		
Advance from Customer	**10.79**	6.82
Statutory Liabilities	**55.38**	26.05
	66.17	32.87
Note 31 : Short Term Provisions		
Gratuity	**28.04**	31.05
Total:	**28.04**	31.05
Note 32 : Current Tax Liabilities		
Provision for Tax	**456.00**	145.00
Less : Advance Tax	**202.06**	137.26
Total:	**253.94**	7.74

[₹ in Lacs]

Particulars	2022-2023	2021-2022
Note 33 : Revenue from Operations		
Sale of products		
Manufactured Goods	**8 165.62**	9 157.35
Stock-in-Trade	**3 932.33**	4 492.79
Other operating revenue		
Export Incentives	**0.00**	4.57
Facilitaing sale of Chlorine	**680.34**	135.36
	12 778.29	13 790.07
Break up of Revenue from contracts with customers		
Manufactured		
MCAA	**3 226.39**	5 605.99
SMCA	**1 274.06**	855.56
EDTA Tetra - Sodium	**0.00**	0.00
CAC	**3 117.52**	2 247.53
TCAC	**314.60**	227.87
Hydro Chlorine Acid	**1.49**	1.24
Others	**231.56**	219.17
	8 165.62	9 157.36
Stock in trade		
Acid Slurry	**22.51**	318.57
J Acid	**269.73**	113.38
Acetic Anhydride	**1 097.60**	1 107.73
Linear Alkyl Beneze	**1 266.77**	2 060.23
Others	**1 275.72**	892.89
	3 932.33	4 492.80
Break up of Other Operating revenue		
Export benefits (Net)		
Duty Drawback	**0.00**	4.57
Facilitating sale of Chlorine	**680.34**	135.36
	680.34	139.93
Note 34 : Other Income		
Interest income		
On Fixed deposits	**0.21**	0.52
on other deposits and investments	**24.75**	37.85
on loan to subsidiary	**6.32**	0.00
Other Interest	**5.62**	7.68
Interest and Electricity Subsidy	**0.00**	60.80
Income on investments measured at FVTPL	**44.54**	0.00
Foreign Exchange Fluctuations	**22.45**	39.25
Insurance Claim Received	**1.93**	40.99
Derecognition of lease liability	**16.42**	4.92
Profit on sale of fixed assets	**70.01**	0.00
Miscellaneous income	**0.12**	0.00
Total:	**192.37**	192.01

[₹ in Lacs]

Particulars	2022-2023	2021-2022
Note 35 : Cost of materials consumed		
Raw Materials	**3 791.53**	5 403.29
Freight Charges, Inward Clearing and Commission	**132.32**	126.36
	3 923.85	5 529.65
Note 36 : Purchases of traded goods		
Chemicals and Intermediates	**3 720.47**	4 171.74
	3 720.47	4 171.74
Note 37 : Changes in Inventories		
Closing Stock		
Work-in-progress	**84.96**	174.35
Finished Goods	**130.97**	107.40
Stock-in-Trade	**15.45**	14.65
	231.38	296.40
Opening Stock		
Work-in-progress	**174.35**	231.16
Finished Goods	**107.40**	33.38
Stock-in-Trade	**14.65**	13.41
	296.40	277.95
Decrease/(Increase) in Inventories	**65.02**	(18.45)
Note 38 : Employee benefits expense		
Salaries, wages and allowance	**677.35**	601.63
Contribution to provident and other funds	**19.31**	16.11
Staff welfare expenses	**40.06**	33.57
	736.72	651.31
Note 39 : Finance Cost		
Interest to :		
Banks	**197.92**	214.85
Unwinding interest cost on Lease Liability	**11.27**	17.16
Interest cost on Security Deposits	**5.00**	5.76
Amortisation of Processing Fees	**6.70**	6.03
Other Borrowing Cost		
Processing charges	**0.02**	0.25
Total:	**220.91**	244.05
Note 40 : Depreciation and Amortization		
Depreciation on Property, Plant and Equipments	**427.00**	402.03
Amortization expense on intangible assets	**0.00**	0.02
Depreciation on Right of Use Assets	**56.14**	66.57
	483.14	468.62

[₹ in Lacs]

Particulars	2022-2023	2021-2022
Note 41 : Other expenses		
Manufacturing Expenses		
Stores & Other Consumables	**212.42**	125.88
Power Fuel & Water Charges	**555.14**	486.08
Repairs and Maintenance		
Plant and Machinery	**43.65**	26.27
Building	**7.15**	4.34
Laboratory Expenses	**6.56**	6.35
Job work Charges	**0.00**	0.21
Lifting charges of Chemicals	**461.34**	164.70
	1 286.26	813.83
Establishment Expenses		
Fees and Legal Expenses	**63.91**	51.00
Insurance Charges	**21.13**	17.62
Travelling Expenses	**50.54**	8.05
Rent, Rates & Taxes	**28.76**	21.96
Other Repairs	**9.73**	5.32
Auditor's Remuneration (Refer note 41.1 below)	**7.50**	1.50
Bad debts	**5.32**	0.00
Vehicle Expense	**20.66**	16.83
Security Expense	**16.83**	15.24
Other Expenditure	**74.12**	35.12
Corporate Social Responsibility (Refer note 41.2 below)	**15.70**	0.00
Loss on sale of asset / Assets Impaired	**61.71**	48.32
Bad Advances written off	**0.00**	8.94
Less :Reversal of provision for bad advances	**0.00**	(57.54)
	0.00	(48.60)
Provision for Doubtful Debts	**0.29**	10.37
	376.20	182.73
Selling and Distribution Expenses		
Packing Material Consumed	**252.66**	156.59
Sales Commission	**38.66**	123.09
Clearing and Forwarding	**57.92**	61.03
Freight Charges	**430.23**	455.35
	779.47	796.06
Total:	**2 441.93**	1 792.62
Auditor's Remuneration is made of		
Statutory and Tax Audit Fees	**7.50**	1.50
Note - 41.2 : Details of CSR expenditure		
(i) amount required to be spent by the company during the year	**10.94**	NA
(ii) amount of expenditure incurred,	**15.70**	NA
(iii) shortfall at the end of the year,	**NIL**	NA
(iv) total of previous years shortfall,	**NIL**	NA
(v) reason for shortfall,	**NIL**	NA
(vi) nature of CSR activities,	Activities specified in Schedule VII of the Act	NA
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NIL	NA

[₹ in Lacs]

Particulars	2022-2023	2021-2022
Note 42 : Earning per Share		
Profit / (Loss) attributable to Equity shareholders (₹ in Lacs)	**1 142.72**	823.16
Number of equity shares	**2 05 20 723**	2 05 20 723
Diluted Number of equity shares	**2 05 20 723**	1 93 96 065
Basic earning per Share (₹)	**5.57**	4.01
Diluted earning per Share (₹)	**5.57**	4.24

Note: The Company has not issued equity shares during the year under review. However, during the previous financial year, the company has issued 55,00,000 equity shares converted from warrants.

Note 43: Contingent Liabilities and Commitments

	Particulars	As at 31st March 2023	As at 31st March 2022
A	**Contingent Liabilities not provided for in respect of**		
	Income Tax (Refer note(i) below)	**38.28**	38.42
	Claim against the company not acknowledged as debt (Refer note (ii) below)	**11.00**	11.00
	Custom Duty (Import under Advance Licenses Export Obligation Pending)	**23.57**	143.96
		72.85	193.38
B	**Capital Commitments and Other Commitments**		
	Estimated amount of contract remaining to the executed on capital accounts	Nil	39.54

(i) The Company has not recognized and acknowledged the Income Tax demand as liability in its books of accounts aggregating to ` 38.28 lacs in respect of earlier years since the company has disputed the demand and has filed appeals before appropriate authorities. The same are pending for final adjudication.

(ii) The company had entered in to derivatives contracts (for sale of foreign currency) with HDFC bank Limited which have already been concluded in earlier years. The company had incurred loss on such contracts against which the sum of ₹ 78.71 Lacs (including adjustment of fixed deposit amounting to ₹ 23.64 Lacs have already been paid and charged to Statement of Profit and Loss under the head “Loss on Derivative Contract”. The company had also received summons / show cause notice from Mumbai Debt Recovery Tribunal in the month of May, 2009. In response to the same, based on legal advise, the company had filed its reply with appropriate authority. Pending final outcome, the management is of the opinion that the aforesaid liability is of contingent nature and therefore the company has not recognized as liability for the balance loss of ₹ 147.07 Lacs including interest up to January, 2013. Further, In earlier years, HDFC Bank Limited had retained the sum of ₹ 25.48 Lacs out of proceeds of right issues against which the company has initiated legal actions. Pending final outcome of such legal proceedings, the company has vide its letter dated 20th May, 2021 addressed to HDFC Bank Limited, shown its willingness to pay the sum of ₹ 11.00 Lacs over and above the amount already recovered to be adjusted against the demand in order to settle the whole dispute in its totality. Although, the company has not yet received any response from the bank in this regard, the company expects an affirmative response from the bank and therefore in view of aforesaid letter, the company has disclosed the sum of ₹ 11.00 Lacs only as contingent liability as against ₹ 147.07 lacs which was hitherto disclosed as contingent liability in earlier years.

Further disclosed a sum of ₹ 25.48 Lacs as retained by HDFC Bank Limited as recoverable and classified under other financial assets till final adjustment upon receipt of response from HDFC Bank Limited.

Note 44 : Employee Benefits

Note 44.1 Defined contribution plan

The Company has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognized in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

[₹ in Lacs]

Particulars	For the year 2022-2023	For the year 2021-2022
Contribution to Provident Fund and Pension Scheme, included under contribution to provident and other funds	**9.15**	8.64
Contribution to Employee State Insurance Scheme, included under contribution to provident and other funds	**0.13**	0.19

Note 44.2 Defined benefit plan

(a) Gratuity

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

(b) Defined Benefit Plan

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Gratuity

Particulars	Valuation	
	As at 31st March, 2023	As at 31st March, 2022
Discount rate	**7.49%**	7.33%
Expected rate(s) of salary increase	**6.00%**	6.00%
Rate of return on plan assets	**7.49%**	7.33%
Rate of Employee Turnover	**2.00%**	2.00%

The following table sets out the status of the amounts recognized in the balance sheet & movements in the net defined benefit obligation as at 31st March, 2023.

[₹ in Lacs]

Particulars	For the year ended 2022-2023 Gratuity (Funded)	For the year ended 2021-2022 Gratuity (Funded)
Changes in the present value of obligation		
1. Present value of obligation (Opening)	**78.35**	73.22
2. Interest cost	**5.74**	5.09
3. Past service cost adjustments/Prior year Charges	**-**	-
4. Current service cost	**3.21**	3.33
5. Curtailment Cost / (Gain)	**-**	-
6. Settlement Cost / (Gain)	**-**	-
7. Benefits paid	**(0.90)**	-
8. Actuarial (Gain) / Loss arising from change in financial assumptions	**(0.72)**	(1.99)
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	**-**	(0.07)
10. Actuarial (Gain) / Loss arising from change on account of experience changes	**(9.41)**	(1.23)
11. Present value of obligation (Closing)	**76.28**	78.35
Changes in the fair value of plan assets		
1. Present value of plan assets (Opening)	**20.47**	19.17
2. Expected return on plan assets	**(0.15)**	(0.03)
3. Interest Income	**1.50**	1.33
4. Actuarial Gain / (Loss)	-	-

[₹ in Lacs]

Particulars	For the year ended 2022-2023 Gratuity (Funded)	For the year ended 2021-2022 Gratuity (Funded)
5. Employers Contributions	**16.10**	-
6. Employees Contributions	-	-
7. Benefits paid	-	-
8. Fair Value of Plan Assets (Closing)	**37.92**	20.47
Percentage of each category of plan assets to total fair value of plan assets at the year end		
1. Bank Deposits	-	-
2. Debt Instruments	-	-
3. Policy of Insurance	100%	100%
4. Others	-	-
Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets		
Present Value of funded obligation at the end of the year		
Fair Value of Plan Assets as at the end of the period	**37.92**	20.47
Amount not recognized due to asset limit	-	-
Deficit of funded plan		
Deficit of unfunded plan		
- Current	**28.04**	31.08
- Non current	**10.33**	26.83
Amount recognized in standalone statement of profit and loss in respect of defined benefit plan are as follows:		
Expense recognized in the Statement of Profit and Loss		
Current Service Cost	**3.21**	3.33
Past Service Cost	-	-
Net interest Cost	**4.24**	3.76
Net value of re-measurements on the obligation and plan assets	-	-
(Gains)/Loss on Settlement	-	-
Total Expenses recognized in the Statement of Profit and Loss #	**7.45**	7.09
#Included in 'Salary and Wages' under 'Employee benefits expense'		
Amount recorded in Other comprehensive Income (OCI)		
Re-measurements during the year due to		
Changes in financial assumptions	**(0.71)**	(1.99)
Changes in demographic assumptions	-	(0.07)
Experience adjustments	**(9.41)**	(1.23)
Return on plan assets excluding amounts included in interest income	**0.15**	0.04
Amount recognized in OCI during the year	**(9.97)**	(3.25)

(c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Gratuity

	Impact on defined benefit obligation							
	Change in Assumption			Increase in Assumptions			Decrease in Assumptions	
Particulars	**March 31, 2023**	**March 31, 2022**		**March 31, 2023**	**March 31, 2022**		**March 31, 2023**	**March 31, 2022**
Discount rate	1%	1%	Decrease by	(4.04)	(4.60)	Increase by	4.83	5.57
Salary growth rate	1%	1%	Increase by	1.64	2.41	Decrease by	(1.48)	(2.12)
Employee Turnover	1%	1%	Increase by	3.10	3.01	Decrease by	(3.54)	(3.47)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(d) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	As at March 31, 2023 %	As at March 31, 2022	As at March 31, 2023 ₹ in lacs	As at March 31, 2022
Insurer managed funds	100%	100%	**37.92**	20.47
Total	100%	100%	**37.92**	20.47

(e) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investment is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation (LIC) of India under its Group Gratuity Scheme.

(f) Defined benefit liability and employer contribution

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post -employment benefit plan (Gratuity) for the next year is 28.04 Lakh (P.Y 31.06 lakh)

The weighted average duration of the defined benefit obligation is 8 Years (P.Y. 8 Years).

The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

(a) Gratuity

[₹ In Lacs]

Particulars	As at 31st March 2023	As at 31st March 2022
1st following year	**41.45**	41.38
2nd following year	**1.51**	1.48
3rd following year	**1.55**	1.56
4th following year	**1.60**	1.60
5th following year	**2.10**	1.65
Sum of year 6 to 10th	**10.65**	11.26
Sum of Years 11 and above	**91.35**	106.27

Note 45: Segment Information

The operating segment of the company is identified to be " **Manufacturing and trading of Chemicals and Organics**", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operating Segments.

However, The Company has two geographical segments "India and Rest of World", revenue from the geographic segments based on domicile of the customer are as follows:

[₹ in Lacs]

Description	India	Rest of the world	Total
Revenues			
- Year ended 31st March, 2023	**10 316.15**	**1 781.80**	**12 097.95**
- Year ended 31st March, 2022	10119.32	3530.83	13650.15

Note 46:

1. Related Party Disclosures for the year ended March 31, 2023

(a) Details of Related Parties

Sr.No.	Description of Relationship	Names of Related Parties
1	Wholly Owned Subsidiary company	Archit Life Science Limited
2	Key Management Personnel (KMP)	Kandarp K. Amin Archana K. Amin Archit K. Amin Ajay P. Patel (w.e.f 10th October, 2022) Gajendra Rajput (upto 10th October, 2022) Vijay Boliya
3	Relatives of KMP	Suchit K Amin Shimoli A. Amin Manini S. Amin
4	Enterprise over which KMP / Relatives of KMP exercise significant influence through controlling interest (Other Related Party)	Krishna Orgochem Adonis Lifecare Private Limited Archit Advance Materials Kalindi Impex S.D. Agro Organosys Kalindi Industries

(b) Details of transactions with related parties for the year ended March 31, 2023 in the ordinary course of business:

[₹ In Lacs]

Sr. No.	Nature of Relationship / Transaction	Key Management Personnel (KMP)	Relatives of KMP	Enterprise over which KMP and Relatives have significant influence	Total
1	**Remuneration**				
	Archanaben K. Amin	72.00	-	-	72.00
	Kandarp K. Amin	78.00	-	-	78.00
	Archit K. Amin	57.00	-	-	57.00
	Ajay P. Patel	2.64	--	--	2.64
	Vijay Boliya	2.58	--	--	2.58
	Gajendra Rajput	1.29	--	--	1.29
2	**Loan taken during the year**				
	Archanaben K. Amin	225.00	—	—	225.00
	Adonis Lifecare Pvt Ltd	--	--	85.00	85.00
3	**Loan given during the year**				
	Archit Life science Limited	--	343.75	--	343.75
4	**Security Deposit received on closure of lease**				
	Archanaben K. Amin	43.80	—	—	43.80
	Shimoli A. Amin	12.64	—	—	12.64
	Manini S. Amin	7.68	—	—	7.68

[₹ In Lacs]

Sr. No.	Nature of Relationship / Transaction	Key Management Personnel (KMP)	Relatives of KMP	Enterprise over which KMP and Relatives have significant influence	Total
5	**Loan Repaid (including interest)**				
	Archana K. Amin	225.00	--	--	225.00
	Adonis Lifecare Pvt Ltd	--	--	88.20	88.20
6	**Investments**				
	Archit Life Science Limited	--	10.00	--	10.00
7	**Salary**				
	Suchit K. Amin	29.40	--	--	29.40
	Shimoli A. Amin	27.60	--	--	27.60
	Manini S. Amin	27.60	--	--	27.60
8	**Rent paid**				
	Archanaben K. Amin	36.48	--	--	36.48
	Kandarp K. Amin	6.00	--	--	6.00
	Shimoli A. Amin	11.58	--	--	11.58
	Manini S. Amin	7.04	--	--	7.04
9	**Purchase**				
	Krishna Orgochem	--	--	308.21	308.21
	Archit Advance Materials	--	--	418.25	418.25
	Kalindi Impex	--	--	341.65	341.65
	S.D. Agro Organosys	--	--	25.93	25.93
10	**Purchase of Building**				
	Archana K. Amin	294.45	--	--	294.45
	Shimoli K.Amin	99.45	--	--	99.45
	Manini S. Amin	60.44	--	--	60.44
11	**Interest Income**				
	Archit Life Science Limited	--	6.32	--	6.32
12	**Interest Expense**				
	Adonis Lifecare Pvt Ltd	--	--	3.20	3.20

c) Amount due to / from related parties as at March 31, 2023

1	**Security Deposit for lease**				
	Kandarp K. Amin	17.91	--	--	17.91
2	**Investment**				
	Archit Life Science Limited	--	10.00	--	10.00
3	**Trade Payable**				
	Archit Advance Material	--	--	11.48	11.48
4	**Loans & Advances**				
	Archit Life Science Limited	--	338.77	--	338.77

2. Related Party Disclosures for the year ended March 31, 2022

(a) Details of Related Parties

Sr.No.	Description of Relationship	Names of Related Parties
1	Key Management Personnel (KMP)	Kandarp K. Amin Archana K. Amin Archit K. Amin Gajendra Rajput Anchal Bansal (up to 8th February, 2022) Vijay Boliya (w.e.f. 1st March, 2022)
2	Relatives of KMP	Suchit K Amin Shimoli A. Amin Manini S. Amin
3	Enterprise over which KMP / Relatives of KMP exercise significant influence through controlling interest (Other Related Party)	Krishna Orgochem Adonis Lifecare Private Limited Archit Advance Materials Kalindi Impex S.D. Agro Organosys Kalindi Industries

(b) Details of transactions with related parties for the year ended March 31, 2022 in the ordinary course of business:

[₹ In Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives of KMP	Enterprise over which KMP and Relatives have significant influence	Total
1	**Remuneration**			
	Archanaben K. Amin	72.00	—	72.00
	Kandarp K. Amin	78.00	—	78.00
	Archit K. Amin	57.00	—	57.00
	Gajendra Rajput	2.58	—	**2.58**
	Anchal Bansal	1.68	—	**1.68**
	Vijay Boliya	0.20	—	**0.20**
2	**Loan taken during the year**			
	Kandarp K. Amin	50.00	—	**50.00**
	Archanaben K. Amin	40.00	—	**40.00**
	Krishna Orgochem	—	50.00	**50.00**
	Archit K. Amin	100.00	—	**100.00**
3	**Loan given during the year**			
	Kandarp K. Amin	50.00	—	**50.00**
	Archanaben K. Amin	40.00	—	**40.00**
	Krishna Orgochem	—	50.00	**50.00**
	Archit K. Amin	100.00	—	**100.00**
4	**Security Deposit Paid**			
	Archanaben K. Amin	7.30	—	**7.30**
	Shimoli A. Amin	2.11	—	**2.11**
	Manini S. Amin	1.28	—	**1.28**
	Kandarp K. Amin	18.10	—	**18.10**
5	**Salary**			
	Suchit K Amin	29.40	--	**29.40**
	Shimoli A. Amin	21.60	--	**21.60**
	Manini S. Amin	27.60	--	**27.60**

[₹ In Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives of KMP	Enterprise over which KMP and Relatives have significant influence	Total
6	**Rent paid**			
	Archanaben K. Amin	43.79	--	**43.79**
	Kandarp K. Amin	6.00	—	**6.00**
	Shimoli A. Amin	12.64	—	**12.64**
	Manini S. Amin	7.68	—	**7.68**
7	**Purchase**			
	Krishna Orgochem	--	313.30	313.30
	Adonis Lifecare Pvt Ltd	--	133.89	133.89
	Archit Advance Materials	--	367.84	367.84
	Kalindi Impex	--	592.43	592.43
	S.D. Agro Organosys		38.71	38.71
8	**Sales**			
	Adonis Lifecare Pvt Ltd	--	33.75	33.75
9	**Sale of Asset**			
	Kandarp K. Amin	5.00	--	5.00
(c)	**Amount due to / from related parties as at March 31, 2022**			
1	**Security Deposit for rent**			
	Archanaben K. Amin	43.56	--	43.56
	Shimoli A. Amin	12.56	--	12.56
	Manini S. Amin	7.63	--	7.63
	Kandarp K. Amin	17.95	--	17.95

Note 47: Leases

The Company has lease contracts for Land and Building. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability.

The Company has also entered into various Lease Arrangements for “Land” for the purpose of factory building, which are “Non-cancellable” and thus, creates enforceable rights. The Company applied the standard on such Lease Arrangements and recognised the “Right of Use”. Further, the Company, having already paid the upfront Lease rentals / premium at the time of execution of Lease Deed which accounted for almost all the lease payments, does not owe any lease obligations under such lease arrangement and accordingly “Lease obligations” corresponding to “Right of Use” asset are not recognised.

In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively

The Company also applied the available practical expedients wherein it:

- Applied single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the Date of initial application
- Applied the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application

(i) Amounts recognised in the Balance sheet and statement of profit and loss:

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements for the financial year 31st March, 2023:

[₹ in Lacs]

Particulars	Right of Use Asset
As at April 01, 2022	216.06
Additions / (Deduction)	(72.98)
Depreciation on Right of Use Asset	(56.14)
As at March 31, 2023	86.94

[₹ in Lacs]

Particulars	Lease Liabilities
As at April 01, 2022	184.80
Additions / (Deduction)	(85.40)
Interest Expenses	11.27
Payments	(64.75)
As at March 31, 2023	45.92

Set out below, are the amounts recognised in Statement of profit and loss:

[₹ in Lacs]

Particulars	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	56.14
Interest expense on lease liabilities	11.27
Interest cost on security deposits	5.00
Rent expense - short-term leases and leases of low value assets	26.73
Derecognition of Lease Liabiity	(16.42)
Interest Income on security deposit	(4.94)
Total amounts recognised in (profit) or loss	77.78

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements for the financial year 2022:

[₹ in Lacs]

Particulars	**Right of Use Asset**
As at April 01, 2021	124.55
Additions on account of adoption of Ind AS 116	158.08
Depreciation on Right of Use Asset	(66.57)
As at March 31, 2022	216.06

[₹ in Lacs]

Particulars	**Lease Liabilities**
As at April 01, 2021	153.17
Addition on account of adoption of Ind AS 116	17.16
Interest Expenses	8.85
Payments	(70.10)
As at March 31, 2022	184.80

Set out below, are the amounts recognised in Statement of profit and loss:

[₹ In Lacs]

Particulars	For the year ended March 31, 2022
Depreciation expense of right-of-use assets	66.57
Interest expense on lease liabilities	17.16
Interest cost on security deposits	5.75
Rent expense - short-term leases and leases of low value assets	14.08
Derecognition of Lease Liabiity	(4.92)
Interest Income on security deposit	(5.26)
Total amounts recognised in (profit) or loss	93.38

Note 48 : Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

[₹ In Lacs]

Particulars	As at 31st March 2023	As at 31st March 2022
Equity share capital	**2052.07**	2 052.07
Other equity	4 133.30	3 137.20
Total equity	6 185.37	5 189.27
Non-current borrowings	1 419.84	1 220.97
Short term borrowings	1 675.10	1 991.15
Total loans and borrowings	**3 094.94**	**3 212.12**
Cash and cash equivalents	512.05	534.97
Net Debt	**2 582.89**	**2 677.15**
Net debt to equity	**41.76%**	**51.59%**

Note 49 : Fair value measurements

A. Financial instruments by category

[₹ in lacs]

Particulars	March 31, 2023			March 31, 2022		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
Financial Assets						
Investments (*)	--	364.54	--	--	**140.00**	--
Trade receivables	3 735.62	--	--	**2735.31**	--	--
Cash and cash equivalents	512.05	--	--	**534.97**	--	--
Other bank balances	--	--	--	--	--	--
Loans	348.09	--	--	**235.55**	--	--
Others financial assets	68.25	--	--	**197.16**	--	--
Total Financial Assets	4 664.01	364.54	--	3 702.99	140.00	--
Financial Liabilities						
Borrowings	3 094.94	--	--	**3212.12**	--	--
Lease Liability	45.93	--	--	184.80		
Trade payables	2 126.78	--	--	**1355.83**	--	--
Other financial liabilities	260.37	--	--	**277.65**	--	--
Total Financial Liabilities	5 528.02	**--**	**--**	**5030.40**	--	**--**

(*) Excluding investment in subsidiary measured at cost in accordance with Ind-AS 27.

B. Fair value hierarchy for assets / (liabilities)
Financial assets / (liabilities) measured at fair value at 31st March, 2023

[₹ in lacs]

	Level 1	Level 2	Level 3	Total
Financial Assets / (liabilities)				
Investment in alternative investment fund	**364.54**	—	—	**364.54**
Derivative Instruments	--	--	--	--
Financial assets / (liabilities) measured at fair value at 31st March, 2022				
Financial Assets				
Investment in alternative investment fund	**140.00**	—	—	**140.00**
Derivative Instruments	—	--	--	—

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

(i) The use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

D. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets , borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 50 : Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reûect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds	Credit ratings	Portfolio diversification and regular monitoring

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Credit Risk Management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at 31 March 2023, as summarized below:

[₹ In Lacs]

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans	**348.09**	235.55
Other financial assets	**68.25**	197.16
Cash and cash equivalents	**512.05**	534.97
Trade receivables	**3 735.62**	2 735.31
	4 664.01	3 702.99

Trade and other receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

For trade receivables, provision is provided by the company as per the below mentioned policy:

[₹ in lacs]

Particulars	Gross carrying amount	Expected credit losses rate (%)	Expected credit losses	Carrying amount of trade receivable
As at March 31, 2023				
Considered Good				
Not due	116.60	0.0%	--	116.60
0 – 1 year	3 446.03	0.1%	3.45	3 442.58
More than 1 year	185.72	5.0%	9.28	176.44
Total	3 748.35		12.73	3 735.62
Considered Doubtful	92.09	100%	92.09	--
Total :	3 840.44	--	104.82	3 735.62

[₹ in lacs]

Particulars	Gross carrying amount	Expected credit losses rate (%)	Expected credit losses	Carrying amount of trade receivable
As at March 31, 2022				
Considered Good				
Not due	--	--	--	--
0 – 1 year	2549.99	0.1%	2.55	2547.44
More than 1 year	197.76	5%	9.89	187.87
Total	2747.75		12.44	2735.31
Considered Doubtful	100.26	100%	100.26	--
Total :	2848.01	--	112.70	2735.31

Reconciliation of loss allowance provision

As at 31st March, 2023

Trade receivables

Particulars	(₹ in Lacs)
Loss allowance as on 31st March, 2022	(112.70)
Changes in loss allowance (net)	(7.88)
Loss allowance as on 31st March, 2023	(104.82)

As at 31st March, 2022

Trade receivables

Particulars	(₹ in Lacs)
Loss allowance as on 31st March, 2021	(137.43)
Changes in loss allowance	(24.73)
Loss allowance as on 31st March, 2022	(112.70)

Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains ?exibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The working capital position of the Company is given below:

[₹ in lacs]

Particulars	31st March, 2023	31st March, 2022
Cash and cash equivalents	512.09	534.97

Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2023

[₹ in Lacs]

Financial Liabilities	Payable within 0 to 12 Months	More Than 12 Months	Total
Non-current financial liabilities			
Borrowings	—	1 419.84	1 419.84
Lease Liability	--	43.59	43.59
	--	1 463.43	1 463.43
Other Financial Liability			
Borrowings from Banks	1 675.10	--	1 675.10
Lease Laibilty	2.34	--	2.34
Trade payables	2 126.78	--	2 126.78
Other Financial Liability	260.37	--	260.37
	4 064.59	--	4 064.59
Total financial liabilities	4 064.59	1463.43	5 528.02

As at March 31, 2022

[₹ in Lacs]

Financial Liabilities	Payable within 0 to 12 Months	More Than 12 Months	Total
Non-current financial liabilities			
Borrowings	—	1220.97	1220.97
Lease Liability	--	120.63	120.63
	--	1341.60	1341.60
Other Financial Liability			
Borrowings from Banks	1991.15	--	1991.15
Lease Laibilty	64.17	--	64.17
Trade payables	1355.83	--	1355.83
Other Financial Liability	277.65	--	277.65
	3688.80	--	3688.80
Total financial liabilities	3688.80	1341.60	5030.40

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i) Currency Risk

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (`), primarily in respect of US$, and Euro. The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are given below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount Foreign Currency	Amount in Indian Currency	Amount Foreign Currency	Amount in Indian Currency
Financial Assets				
Trade receivables				
Unhedged	USD 1.70	139.51	USD 3.25	246.04
Hedged	-	-	USD 7.16	543.72
Total	USD 1.70	139.51	USD 10.41	789.76
Financial liabilities				
Trade payable				
Unhedged	-	-	-	-
Hedged	-	-	-	-
Total	-	-	-	-

Sensitivity Analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

[₹ in lacs]

Particulars	Profit or Loss March 31, 2023		Profit or Loss March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD sensitivity				
USD (Increase/decrease by 1%, March 31, 201-1%)	1.40	(1.40)	7.90	(7.90)
Total	1.40	(1.40)	7.90	(7.90)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

The exposures of the Company's financial assets / liabilities at the end of the reporting period are as follows:

[₹ In Lacs]

Particulars	As at 31st March 2023	As at 31st March 2022
Fixed rate borrowings	123.62	204.35
Floating rate borrowings	2 971.32	3 007.77
Total borrowings	3 094.94	3 212.12

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

[₹ in Lacs]

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Interest sensitivity*		
Interest rates – increase by 50 basis points (50 bps)	14.86	15.04
Interest rates – decrease by 50 basis points (50 bps)	(14.86)	(15.04)

** Holding all other variables constant*

(iii) Price Risk

Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

Note 51: Derivative Instruments

The category wise outstanding position of derivative instrument is as under:

Nature	**Particulars of derivatives**		**Purpose**
	March 31, 2023 ₹ in Lacs	**March 31, 2022 ₹ in Lacs**	
Forward Contract	USD 7.16 lacs (Amount equivalent to INR 544.51 lacs)	-	Hedging of equivalent export trade receivables (INR) to mitigate the risk of foreign currency fluctuation.

Note 52: Other Regulatory Information

(a) Fair Value of Investment Property

The Company does not own any immovable property which is classified as Investment property as at the end of the year.

(b) Revaluation of Property, Plant and Equipment (including Right-of-Use Assets) and Intangible Assets

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.

(c) The company has not granted any loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

(d) Details of Benami Property held

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

(e) Borrowings obtained on the basis of security of current assets

The Company has been sanctioned working capital limits from banks on the basis of security of current assets. The quarterly returns / statements filed by the Company with such banks are materially in agreement with the books of accounts.

(f) Wilful Defaulter

The Company has not been declared Wilful Defaulter by any bank or financial institution or any other lender.

(g) Relationship with Struck off Companies

The Company does not have any transactions with struck off companies.

(h) Registration of charges or satisfaction with Registrar of Companies (ROC)

The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

(i) Compliance with number of layers of companies

The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(j) Utilization of Borrowed funds and share premium:

(a) During the year, no funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the company to any other persons or entities, including foreign entities with the understanding whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) During the year, the company has not received any fund from any persons or entities, including foreign entities (Funding Parties) with the understanding whether recorded in writing or otherwise that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(k) Approved scheme of arrangements

The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(l) Undisclosed Income

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(m) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(n) Corporate Social Responsibility

The Company falls under the provisions of Section 135 of the Companies Act, 2013 and accordingly is required to spend amount for CSR. Refer note 41(b).

(o) Financial Ratio

Sr. No.	Particulars	Numerator	Denominator	Financial Year 2022-2023	Financial Year 2021-2022	(%) of Variance	Remarks
1	Current Ratio (In times)	Total Current Asset	Total Current Liabilites	1.20	1.14	5.45	—
2	Debt-Equity Ratio (In times)	Total Debt (Long term borrowings, Short Term Borrowings and Lease liabilites (Current & Non Current))	Shareholder's Equity	0.51	0.65	(22.43)	—
3	Debt Service Coverage Ratio (In times)	Earning for Debt Service (Net Profit after taxes + Non-cash operating expenses+Interest+Other non-cash adjustments)	Debt service (Interest and lease payments + Principal repayments)	1.81	1.46	24.23	—
4	Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average Shareholders equity	20.09	17.81	12.81	—
5	Inventory turnover ratio (In times)	Sales	Average Inventory	25.96	28.81	(9.87)	—
6	Trade Receivables turnover ratio (In times)	Net Sales	Average Debtors	3.74	5.21	(28.29)	Refer Note 1
7	Trade Payable turnover ratio (In times)	Cost of Material Consumed + Other Expenses	Average Creditors	5.79	8.07	(28.28)	Refer Note 2
8	Net capital turnover ratio (In times)	Net Sales	Working capital	13.45	25.64	47.53	Refer Note 3
9	Net profit ratio (in %)	Net Profit after Tax	Net Sales	9.45	6.03	56.63	Refer Note 4
10	Return on Capital employed (in %)	Earning before Interest and taxes	Capital employed (Net worth + Lease liabilities + Deferred tax liabilities)	18.83	16.86	11.68	—
11	Return on investments	Income from Investments	Average Investments	18.50	8.20	125.55	Refer Note 5

Notes:

Note 1: Trade receivables turnover ratio decreased due to decrease in net sales and increase in trade receivables as compared to previous year.

Note 2:Trade payable turnover ratio decreased due to decrease in purchases and increase in trade payables as compared to previous year.

Note 3: Net Capital turnover ratio decreased as net sales decreased and working capital increased as compared to previous year.

Note 4: Net profit ratio increase is attributable to higher other operating revenue and profit on sale of fixed assets during the year considered as an exceptional item.

Note 5: Return on investments ratio increased due to significant increase in the fair valuation of investments

Note 53: Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

Note 54 :

(a) Due to Micro, Small and Medium Enterprise

[₹ in Lacs]

Sr. No.	Particulars	2022-2023	2021-2022
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	**90.78**	**12.95**
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**NIL**	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	**NIL**	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**NIL**	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	**NIL**	NIL

The company has received confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

Note 55 :

The company has circulated letters of Balance Confirmation to Sundry Debtors, Sundry Creditors and the parties to whom loans and advances have been granted. Confirmations were received in some cases.

Note 56: Statement of Management

(a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.

(b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

Note 57:

The figures for the previous year have been regrouped / reclassified wherever necessary to make them comparable with the figures for the current year. Figures are rounded off to nearest lacs.

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
ARCHIT ORGANOSYS LIMITED,
Ahmedabad.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **ARCHIT ORGAONSYS LIMITED** ("the Parent Company"), and its subsidiary (Parent Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated balance sheet as at 31st March 2023, and the Consolidated statement of Profit and Loss(Including Other Comprehensive Income), Consolidated statement of changes in equity and Consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

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

Basis for Opinion

We conducted our audit in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis, Report on Corporate Governance including Annexure to Board's report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Parent 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 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 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 of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group'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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the parent company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

We communicate with those charged with governance of the Parent Company and the subsidiary included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. Reporting as required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, is not applicable, since CARO 2020 is not applicable to the subsidiary company which is included in these Consolidated Financial Statements.

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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity, and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid consolidated financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;.

   (e) On the basis of the written representations received from the directors of the parent company as on 31st March, 2023 taken on record by the Board of Directors of the parent company and the report of statutory audit of its subsidiary company, none of the directors of the Group companies, is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" and

   (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 Group has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 44 to the consolidated financial statements;

      (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

      (iv) (a) The respective management of the company and its subsidiary has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (b) The respective management of the company and its subsidiary has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or its subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) As stated in Note 22 to the consolidated financial statements.

(a) The final dividend proposed by the Board of directors of the parent company and approved by shareholders of the parent company at the annual general meeting has been paid by the parent Company during the year which is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable

(vi) Proviso to Rule 3(1) of the Companies (Accountants) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly reporting under Rule 11(g) of the Companies Audit and Auditor Rules 2014 is not applicable for the financial year ended March 31, 2023.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

FOR G. K. CHOKSI & CO.
Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727
UDIN:23040727BGUVZV7892

Date : 12th May, 2023
Place : Ahmedabad

"Annexure A" to the Auditors' Report

(Referred to in our Report of even date to the members of **Archit Organosys Limited**)

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

We have audited the internal financial controls over financial reporting of **Archit Organosys Limited** ("the parent Company") and its subsidiary company as of 31 March 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the parent company and its subsidiary company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 parent 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered

Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the parent 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 authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Parent Company and its subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 040727
UDIN:23040727BGUVZV7892

Date : 12th May, 2023
Place : Ahmedabad

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

[₹ in Lacs]

Particulars	Notes	As at 31 March 2023
Assets		
Non-current assets		
Property, plant and equipment	6	**4 956.46**
Right of Use Assets	7	**86.94**
Intangible assets	8	**0.00**
Capital work-in-progress	9	**1 641.87**
Financial assets		
- Investments	10	**364.54**
- Other financial assets	11	**39.43**
Other non-current assets	12	**133.78**
		7 223.02
Current assets		
Inventories	13	**338.13**
Financial assets		
- Trade receivables	14	**3 735.62**
- Cash and cash equivalents	15	**512.57**
- Loans	16	**9.32**
- Other financial assets	17	**28.82**
Other current assets	18	**82.58**
Current tax assets (Net)	19	**296.89**
Non current Assets held for sale	20	**16.44**
		5 020.37
Total Assets		**12 243.39**
Equity and liabilities		
Equity		
Equity share capital	21	**2 052.07**
Other equity	22	**4 125.48**
		6 177.55
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	23	**1 419.84**
Lease Liability	24	**43.59**
Provisions	25	**10.33**
Deferred tax liabilities (Net)	26	**175.33**
		1 649.48
Current liabilities		
Financial liabilities		
- Borrowings	27	**1 675.10**
Lease Liability	28	**2.34**
- Trade Payables	29	
total outstanding dues of micro enterprises and small enterprises		**90.78**
total outstanding dues of creditors other than micro enterprises and small enterprises		**2 037.15**
- Other financial liabilities	30	**260.37**
Other current liabilities	31	**68.64**
Provisions	32	**28.04**
Current-tax liabilities	33	**253.94**
		4 416.36
Total liabilities		**6 065.84**
Total equity and liabilities		**12 243.39**

The accompanying notes form an integral part of these financials statements

As per our attached report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants
SANDIP A. PARIKH
Partner
Mem. No. 40727
Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

[₹ in Lacs]

Particulars	Notes	For the year ended 31 March 2023
Income		
Revenue from operations	34	**12 778.29**
Other income	35	**186.05**
Total income		**12 964.34**
Expenses		
Cost of materials consumed	36	**3 923.85**
Purchases of traded goods	37	**3 720.47**
Changes in inventories of finished goods and work-in-progress	38	**65.02**
Employee benefits expense	39	**736.72**
Finance costs	40	**220.91**
Depreciation and amortization expense	41	**483.14**
Other expenses	42	**2 443.43**
Total expenses		**11 593.54**
Profit/(loss) before exceptional items and tax		**1 370.80**
Exceptional items		**164.96**
Profit/(loss) before tax		**1 535.76**
Tax expense:		
Current tax	26	**265.00**
Deferred tax	26	**268.99**
MAT credit entitlement (net of utilisation)	26	**(133.13)**
Income tax expense		**400.86**
Profit /(Loss) for the year		**1 134.90**
Other comprehensive income		
Items not to be reclassified to profit or loss in subsequent periods		
Re-measurement gains/ (losses) on defined benefit plans		**9.97**
tax relating to remeasurement of the defined benefit plans	26	**(2.67)**
Other comprehensive income/ (expense) for the year		**7.30**
Total comprehensive income for the year		**1 142.20**
Earnings per equity share		
Basic earnings per equity shares	43	**5.53**
Diluted earnings per equity shares		**5.53**

The accompanying notes form an integral part of these financials statements

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

[₹ in Lacs]

Particulars	2022-2023
A. Cash flow from operating activities:	
Profit/(Loss) for the year before taxation	**1 535.76**
Adjustments for	
Depreciation on Property, Plant and Equipments	**427.00**
Depreciation on Right of Use Assets	**56.14**
Finance Cost (Borrowings and others)	**204.64**
Finance Cost (Right of Use Assets)	**16.27**
Income on investments measured at FVTPL	**(44.54)**
Interest Income	**(30.58)**
Derecognition Of Lease Liability	**(16.42)**
Loss / (Profit) on sale of Fixed Assets / Asset Impaired	**(173.26)**
Remeasurement gain/(loss) on defined benefit plans	**9.97**
Net Foreign Exchange Differences	**(22.45)**
Provision for Doubtful Debts	**0.29**
Sundry Balance Written Back	**0.35**
Sundry Balance Written Off	**(5.32)**
Operating profit before working capital changes	**1 957.85**
Adjustments for Changes in working capital	
Decrease / (Increase) in Inventories	**255.61**
Decrease / (Increase) in Other Non current financial assets	**62.46**
Decrease / (Increase) in Other Non current assets	**(93.10)**
Decrease / (Increase) in Other Non current assets held for sale	**(10.25)**
Decrease / (Increase) in Other current financial asset	**59.18**
Decrease / (Increase) in Other current assets	**8.23**
Decrease / (Increase) in Loans	**226.23**
Decrease / (Increase) in Trade Receivables	**(972.83)**
Increase / (Decrease) in Trade Payables	**771.75**
Increase / (Decrease) in Other current financial liabilities	**(17.28)**
Increase / (Decrease) in Other current liabilities	**35.77**
Increase / (Decrease) in Provision	**(19.51)**
Cash generated from operations	**2 264.11**
Direct taxes Refund/(paid)	**(314.74)**
Net cash from operating activities **[A]**	**1 949.37**
B. Cash flow from investing activities	
Purchase of Property, Plant and Equipment	**(1 287.28)**
Purchase of Capital Work-in-progress	**(367.30)**
(Purchase) / Sale of ROU Assets	**72.98**
Purchase of Investments	**(180.00)**
Sale of Property, Plant and Equipments	**366.44**
Interest received	**37.85**
Net Cash from / (used in) investing activities [B]	**(1 357.31)**

[₹ in Lacs]

Particulars	**2022-2023**	2021-2022
C. Cash flow from financing activities		
Procurement/(Repayment) of long/ short term borrowings		**(117.18)**
Dividend paid		**(153.91)**
Lease payments Rent Paid		**(138.73)**
Interest paid		**(204.64)**
Net cash flow from financial activities **[C]**		**(614.46)**
Net Increase/(Decrease) in cash and cash equivalents **[A+B+C]**		**(22.40)**
Cash and cash equivalents opening		**534.97**
Cash and cash equivalents closing		**512.57**
Components of cash and cash equivalent		
Balances with scheduled banks		**12.53**
Cheques on Hand		**491.57**
Cash in hand		**8.35**
Fixed Deposits		**0.12**
		512.57

Explanatory Notes to Cash Flow Statement

1 The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Indian Accounting Standard 7.

2 In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.

3 Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

4 Disclosure of debt reconciliation statement in accordance with IND AS 7

[₹ in lacs]

Particulars	**As at 1st April, 2022**	**Net Cash flow**	**Non-cash changes**	**As at 31st March, 2023**
Borrowings	**3 212.12**	**(110.48)**	**(6.70)**	**3 094.94**

As per our report of even date
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Mem. No. 40727

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Date : 12th May, 2023

For and on behalf of Board of Directors of
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Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity share capital

[₹ in Lacs]

As at April 1, 2022	**1 502.07**
Changes in equity share capital during the current year	0.00
As at March 31, 2023	**2 052.07**

B. Other equity

[₹ in Lacs]

Particulars	Reserves and Surplus						
	Retained earnings	Security premium	Capital Redemption Reserve	General Reserve	Other comprehensive income, (Remeasurement of employee benefits)	Money Received Against Share Warrant	Total equity
Balance as at April 1, 202	**1 275.35**	**1 854.66**	**6.77**	**1.50**	**(1.08)**	**0.00**	**3 137.20**
Add: Profit / (Loss) for the year	1 134.90	0.00	0.00	0.00	0.00	0.00	**1 134.90**
Less : Other comprehensive income for the year	0.00	0.00	0.00	0.00	7.30	0.00	**7.30**
Dividend paid	(153.91)	0.00	0.00	0.00	0.00	0.00	**(153.91)**
Balance as at March 31, 2023	**2 256.33**	**1 854.66**	**6.77**	**1.50**	**6.22**	**0.00**	**4 125.48**

The accompanying notes form an integral part of these financials statements

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
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SANDIP A. PARIKH
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Place : Ahmedabad
Date : 12th May, 2023

Note 1: Company Overview

Archit Organosys Limited (the Parent Company) is a Public Company, domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The company's shares are listed on Bombay Stock Exchange the parent Company is mainly engaged in the business of Manufacturing and Trading of Chemicals. The registered office of the Parent Company is located at Plot No 25/9-A Phase-III, GIDC Naroda, Ahmedabad 382330.

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest 2022 – 2023
Subsidiary Company		
- Archit Life Science Limited	India	100.00%

The above aforesaid subsidiary has been considered in the preparations of the consolidated financial statements.

The Consolidated financial statements for the year ended March 31, 2023 were considered by the Board of Directors and approved for issuance on 12th May, 2023.

Note 2: Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statements. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

The consolidated financial statements are prepared in INR and all the values are rounded to the nearest lakhs, except when otherwise indicated.

2.1 Statement of Compliance

The consolidated financial statements comprising Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement, together with notes for the year ended March 31, 2023 have been prepared in accordance with Ind AS as notified under section 133 of the Companies' Act, 2013 ("the Act") and approved by Board of directors on 12th May, 2023.

2.2 Basis of Measurement

The consolidated financial statements of the Group have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

(a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.

(b) The defined benefit asset/liability is recognized as the present value of defined benefit obligation less fair value of plan assets.

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 5.16.

2.3 Functional and Presentation Currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Parent Company operates ("the functional currency"). Indian Rupee is the functional currency of the Parent Company.

The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs as per the requirement of Schedule III, except when otherwise indicated.

2.4 Recent Accounting Pronouncements:

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. (The Group has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements).

Ind AS 12- Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. (The Group has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements).

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. (The Group has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements).

Note 3: Consolidation of Financial Statements

3.1 Principle of Consolidation

(a) The consolidated financial statements relate to Archit Organosys Limited and its subsidiary. Subsidiary is an entity over which the Parent Company has control. The Parent Company controls an entity when the Parent Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of an entity begins when the Parent Company obtains control over the entity and ceases when Parent Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Parent Company gains control or until the date when the Parent Company ceases to control the entity, respectively.

(b) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate Material adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of subsidiary used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31st March.

(c) Non-controlling interests, if any, in the results and equity of subsidiary are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated Balance Sheet respectively.

(d) Non-Controlling Interest's share of profit / loss, if any, of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Parent Company.

(e) The Difference between the cost of investment in the subsidiaries and the share of net assets at the time of acquisition of shares in the subsidiary is identified and recognized in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

3.2 Consolidation Procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary.

(b) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

(d) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

   (a) Derecognizes the assets (including goodwill) and liabilities of the subsidiary;

   (b) Derecognizes the carrying amount of any non-controlling interests;

   (c) Derecognizes the cumulative translation differences recorded in equity;

   (d) Recognizes the fair value of any investment retained;

   (e) Recognizes any surplus or deficit in profit or loss, and

   (f) Reclassifies the parent's share of components, previously recognized in OCI, to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(e) The notes and the significant accounting policies to the consolidated financial statements are intended to serve as a guide for better understanding of the group's position. In this respect, the Group has disclosed such notes and policies, which represent the needed disclosures.

Note 4: Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

Critical Accounting Estimates and Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements.

(i) Contingences and Commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, such liabilities are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the management do not expect them to have a materially adverse impact on our financial position or profitability.

(ii) Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iii) Employee Benefits

Discount rate used to determine the carrying amount of the Company's defined benefit obligation.

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

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems it not to be collectible.

(v) Allowance for uncollectible trade receivables

Provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix.

(vi) Impairment of Property, Plant & Equipment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

(vii) Litigations

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

(viii) Useful Life of Property, Plant and Equipment

As described in Note 5.3, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Note 5: Significant Accounting Policies

5.1 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

(a) Financial Assets

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

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

(i) Financial assets measured at amortized Cost:

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

(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

(b) Financial Liabilities

Initial Recognition and Measurement

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:

Financial Liabilities are classified for subsequent measurement into following categories:

(i) Financial liabilities at Amortized Cost:

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

(ii) Financial liabilities at Fair Value through Profit or Loss:

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

De-recognition of Financial Liabilities:

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

(c) Offsetting of Financial assets and Financial Liabilities

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

(d) Reclassification of Financial Assets and Financial Liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company’s Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

5.2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

5.3 Property, Plant and Equipment

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of goods or services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold land classified under right-of-assets is amortized over the period of lease i.e. 99 years.

Derecognition of Property, Plant and Equipment

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

5.4 Intangible assets

Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Type of Asset	Useful Life
Computer software	3 years

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit and loss when the asset is de-recognised.

5.5 Inventories

(i) Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location.

(ii) Stock of stores, spares, consumable and packing materials are valued at cost.

5.6 Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured though a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

(b) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

5.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

5.8 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods

(i) Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Variable Consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at the time of completion of performance obligation and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) The Company accounts for pro forma credits, refunds of duty of customs or refunds of sales tax/ GST in the year of admission of such claims by the concerned authorities.

(iii) Export benefits are classified as other operating income and recognized on accrual basis in the year of export based on eligibility and when there is no uncertainty on receiving the same.

Interest Income

Interest income is recognised using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

5.9 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets ("ROU Assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in 4.6 Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head “Other Financial Liabilities”.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5.10 Foreign Currency Translation

The functional currency of the Company is the Indian Rupee (‘).

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

(ii) exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements of the Company for the period immediately before the beginning of the first Ind AS financial reporting period (prior to 1st April, 2016), as per the previous GAAP, pursuant to the Company’s choice of availing the exemption as permitted by Ind AS 101.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

5.11 Borrowing Costs

Borrowing costs include

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of finance leases, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

5.12 Employee benefits

(a) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund and employee state insurance b) defined benefit plans - gratuity plans

(i) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employee State Insurance and Employees Death Linked Insurance, the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

5.13 Income Taxes

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

(i) Current tax

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

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5.14 Derivative financial instruments

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

5.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

5.16 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

(a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

(b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

(c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(b) Trade and other receivables

The fair value of trade and other receivables, excluding construction contracts in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

5.17 Current / non- current classification

An asset is classified as current if:

(a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realized within twelve months after the reporting period; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

5.18 Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

Notes to Consolidated financials statements for the year ended 31 March 2023

Note 6 - Property, plant and equipment
As at March 31, 2023

[₹ in Lacs]

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at 01/04/2022	Additions	Deduction Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deduction Adjustments	Upto 31/03/2023	31/03/2023
Owned Assets									
Freehold land	82.98	0.00	0.00	**82.98**	0.00	0.00	0.00	**0.00**	**82.98**
Buildings	1 487.75	511.62	45.11	**1 954.26**	272.76	52.35	18.83	**306.28**	**1 647.98**
Plant & Machinery	3 980.47	754.59	271.84	**4 463.22**	1 163.14	339.62	105.91	**1 396.85**	**3 066.37**
Office Equipments	33.32	18.75	8.86	**43.21**	23.76	4.44	7.89	**20.31**	**22.90**
Computer	9.87	1.29	0.00	**11.16**	8.43	0.55	0.00	**8.98**	**2.18**
Furnitures and Fixtures	67.68	1.02	0.00	**68.70**	30.05	6.31	0.00	**36.36**	**32.34**
Vehicles	148.76	0.00	0.00	**148.76**	32.21	17.39	0.00	**49.60**	**99.16**
Leasehold Improvements	50.81	0.00	0.00	**50.81**	41.93	6.33	0.00	**48.26**	**2.55**
	5 861.64	1 287.27	325.81	**6 823.10**	1 572.28	426.99	132.63	**1 866.64**	**4 956.46**

Note :

1. The legal ownership of vehicle is in the name of directors on behalf of the parent company.
2. All the title deeds for the immoveable property are in the name of the parent Company.

Note 7 : Right of Use Asset
As at March 31, 2023

[₹ in Lacs]

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at 01/04/2022	Additions	Deduction Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deduction Adjustments	Upto 31/03/2023	31/03/2023
ROU Asset									
Land	56.79	0.00	0.00	**56.79**	10.81	0.55	0.00	11.36	**45.43**
Building	281.77	0.00	281.77	**0.00**	156.66	52.13	208.79	0.00	**0.00**
Godown	58.04	0.00	0.00	**58.04**	13.07	3.46	0.00	16.53	**41.51**
	396.60	0.00	281.77	**114.83**	180.54	56.14	208.79	27.89	**86.94**

Note 8 : Intangible assets
As at March 31, 2023

[₹ in Lacs]

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at 01/04/2022	Additions	Deduction Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deduction Adjustments	Upto 31/03/2023	31/03/2023
Owned Assets									
Software	5.25	0.00	0.00	**5.25**	5.25	0.02	0.00	**5.25**	**0.00**
	5.25	0.00	0.00	**5.25**	5.25	0.02	0.00	**5.25**	**0.00**

Note 9 : Capital Work in Progress
As at March 31, 2023

[₹ in Lacs]

Particulars	As at April 01, 2022	Additions during the year	Deduction/ Adjustment during the year	Capitalised	As at March 31, 2023
Building	98.96	251.77	0.00	0.00	**350.73**
Plant And Machinery	1 175.61	736.21	0.00	620.68	**1 291.14**
Total :	**1 274.57**	**987.98**	**0.00**	**620.68**	**1 641.87**

CWIP Aging Schedule

[₹ in Lacs]

CWIP	Amount in CWIP as at 31st March, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	882.41	759.46	0.00	0.00	1 641.87
Projects Temporarily suspended	0.00	0.00	0.00	0.00	0.00

Note : There is no capital work-in-progress is being overdue or has exceeded its cost compared to its original plan

NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 10 : Investments (Non-Current)	
Investments at Fair Value Through Profit or Loss (Quoted)	
Alternate Investment fund *(Refer note below)*	**364.54**
Total :	**364.54**
Aggregate book value of Quoted Investments	**320.00**
Aggregate amount of investments and market value thereof	**364.54**
Note 10.1: Investment in Alternative investment fund	
Investment in Alternative investment fund at FVTPL	
Beams Fintech Fund-I	**50.00**
MNCL Capital Compounder Fund -I	**102.04**
9unicorns Accelerator Fund-I	**212.50**
Total :	**364.54**
Note 11 : Other Financial Assets (Non-Current)	
Security deposits	**36.97**
Advance Rental	**2.46**
Total:	**39.43**
The amount dues by :	
Directors	**17.91**
Officers either severally or jointly with other persons	**NIL**
Firms or private companies in which any director is partner or director or a member.	**NIL**
Note 12 : Other assets (Non-Current)	
Capital advances	**133.78**
Total:	**133.78**
Note 13 : Inventories	
Raw Materials	**69.36**
Stock in Progress	**84.96**
Finished Goods	**130.97**
Stock-in-Trade	**15.45**
Packing Materials	**13.95**
Consumable Stores	**23.44**
Total :	**338.13**

Inventory items have been valued considering the significant accounting policy disclosed in note 5(5.5) to this financial statement.

Particulars	As at 31 March 2023
Note 14 : Trade Receivable	
Unsecured, considered good	
Low Credit Risk	**3 748.35**
Significant increase in Credit Risk	**0.00**
Credit Impaired	**92.09**
Less: Loss Allowance	**(92.09)**
	3 748.35
Less: Allowance for Expected Credit Losses *[Refer note 50(a)]*	**(12.73)**
Total:	**3 735.62**
Included in the financial statement as follows:	
Non-current	**0.00**
Current	**3 735.62**
Total:	**3 735.62**

The group does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

Note 14.1 : Trade Receivable Ageing

Trade receivable ageing schedule as at 31st March, 2023

[₹ in Lacs]

Particulars	Outstanding for following periods from date of transaction						
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
considered good	116.59	3 320.88	125.17	0.04	0.00	185.67	3 748.35
which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
credit impaired	0.00	0.00	0.00	0.00	0.00	92.09	92.09
Disputed Trade receivables							
considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 15 : Cash and cash equivalents	
Balance with Schedule Bank	
In current account / Cash Credit Account	**12.53**
Cheques on hand	**491.57**
Cash in hand	**8.35**
Fixed Deposits (maturity of less than three months)	**0.12**
Total:	**512.57**
Note 16 : Loans (Current)	
Loans Receivable considered good - Unsecured	
Low Risk	**9.32**
Significant increase in Credit Risk	**0.00**
Credit Impaired	**0.00**
Total:	**9.32**

The company does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

Note 17 : Other Financial Assets (current)	
Security deposits	**0.90**
Interest accrued	**1.90**
Other Recoverable - Unsecured	
Low Risk	**26.02**
Significant increase in Credit Risk	**0.00**
Credit Impaired	**0.00**
Less: Loss Allowance	**0.00**
	26.02
Total:	**28.82**
Note 18 : Other Current Assets	
Advances to suppliers	**6.77**
Prepaid expenses	**7.74**
Balances with Revenue authorities	**68.07**
Total:	**82.58**

The group does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 19 : Current tax assets (Net)	
Advance tax & TDS	**296.89**
Less: Provision for taxation	**0.00**
Total:	**296.89**
Note 20 : Non current Assets held for sale	
Planrt and Machinery	**16.44**
Total:	**16.44**
Note 21 : Equity share capital	
Authorised share capital	
Equity Share Capital	
2,50,00,000 Equity Shares of ₹ 10/- each	**2 500.00**
Issued share capital	
2,05,63,300 Equity Shares of ₹ 10/ each	**2 056.33**
Subscribed and fully paid up Equity Share Capital	
2,05,20,723 Equity Shares of ₹ 10/- each fully paid up	**2 052.07**
	2 052.07

Note 21.1 : Equity share capital

During the period of five financial years immediately preceding the Balance Sheet date,

(i) The Parent Company has not allotted any fully paidup equity shares by way of bonus shares;

(ii) The Parent Company has not allotted any equity shares pursuant to any contract without payment being received in cash;

(iii) The company has not bought back any equity shares

Note 21.2 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

At the beginning of the year	**2 05 20 723**
Add : Shares issued pursuant to preferential share warrants	**0**
	2 05 20 723
Less : Shares bought back / Redemption / Forfeited	**0**
At the end of the year	**2 05 20 723**

Note 21.3 Details of shareholders holding more than 5% Shares in the company

Particulars	As at March 31, 2023	
	No. of Shares	% of holding
Kandarp K. Amin	**41 91 324**	**20.42**
Archana K. Amin	**43 70 515**	**21.30**
Suchit K. Amin	**16 16 195**	**7.88**
Archit K. Amimn	**16 20 395**	**7.90**

Note 21.4 Rights, Preferences and Restrictions

The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

Equity Shares : The Parent Company has only class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

Note 21.5 Details of Promoters holding in the company

Promoter name	As at March 31, 2023	
	No. of Shares	% of holding
Kandarp K. Amin	**41 91 324**	**20.42**
Archana K. Amin	**43 70 515**	**21.30**
Suchit K. Amin	**16 16 195**	**7.88**
Archit K. Amin	**16 20 395**	**7.90**
Manini S. Amin	**5 00 000**	**2.44**
Shimoli A. Amin	**5 00 000**	**2.44**

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 22 : Other Equity	
Reserve and Surplus	
Retained Earnings (Including other comprehensive Income)	**2 262.55**
Securities Premium	**1 854.66**
Capital Reserve	**6.77**
General Reserve	**1.50**
Total	**4 125.48**
Note 22.1 : Other Equity *...Detailed..*	
Retained Earnings	
Balance as per previous financial statements	**1 274.27**
Add : Profit / (Loss) for the year	**1 134.90**
Add / (Less) : OCI for the year (net of tax)	**7.30**
Balance available for appropriation	**2 416.47**
Less: Dividend Paid during the year	**153.91**
Total:	**2 262.55**
Note 22.2 : Securities Premium	
Opening Balance	**1 854.66**
Addition / (Deduction) during the year	**0.00**
Balanace at the end of the year	**1 854.66**
Note 22.3 : Capital Reserve	
Opening Balance	**6.77**
Addition / (Deduction) during the year	**0.00**
Balanace at the end of the year	**6.77**
Note 22.4 : General Reserve	
Opening Balance	**1.50**
Add : Addition / (Deduction) during the year	**0.00**
Balanace at the end of the year **Total:**	**1.50**

Retained Earnings

The retained earnings reflect the profit of the Group earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013

Securities Premium

Securities premium reserve is the premium received on issue of shares. These reserve is utilized in accordance with the provisions of the Companies, Act, 2013

Capital Reserve

Capital Reserve is created out of forfeiture of equity shares.

General Reserve

General reserve was created by transfer of profits as per Companies (Transfer of Profits to Reserve) Rules, 1975. It is a transfer from one component of equity that is retained earnings for appropriation purpose.

Dividend

The parent company has recommend the dividend @ 5.0% (₹ 0.50/- per equity share) on equity shares of ₹ 10.00 each for the year ended 31st March, 2023.

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 23 : Borrowings (Non-Current)	
Secured Loans	
From Banks	
Term Loans	**1 893.80**
Vehicle Loans	**12.55**
	1 906.35
From Others	
Vehicle Loans	**42.98**
Total:	**1 949.33**
Less: Current maturities of long term debts	
Secured Loans	
From Banks	
Term loans	**510.98**
Vehicle Loans	**8.12**
	519.10
From Others	
Vehicle Loans	**10.39**
Total:	**529.49**
	1 419.84

Details of security and repayment thereof

Note 23.1 : Nature of Security

Term Loans

The Term loans including current maturities amounting to ₹ 1,893.80 lacs from Union Bank of India is secured Union Bank of India is secured by way of hypothecation of plant and machinery created out of project and further secured by factory land and building situated at Bhavnagar and also personal guarantee of Director.

Vehicle Loans

The Loans including current maturities amounting to ₹ 55.53 lacs are secured against Vehicles.

Note 23.2 : Terms of Repayment of Loans and Rate of Interest

Term Loan

The Company has availed five different loans from Union Bank of India for acquisition for building, plant and machineries and working capital for which the terms of repayable are as under :

Account No. 1163 : Repayable in 62 monthly instalments in step-up method commencing from November,2017. Last Instalment due on December, 2023. Rate of interest 10.50% as at period end.

Account No. 1174 : Repayable in 62 monthly instalments in step-up method commencing from November,2017. Last Instalment due on December, 2023. Rate of interest 10.50% as at period end.

Account No. 0031 : Repayable in 36 monthly instalments in equated monthly instalment commencing from September,2020. Last Instalment due on October, 2024. Rate of interest 7.50% as at period end.

Account No. 1195 : Repayable in 72 monthly instalments in step-up method commencing from June, 2022. Last Instalment due on May, 2028. Rate of interest 10.50% as at period end.

Account No. 0068 : Repayable in 36 monthly instalments of ₹ 20,68,444/-. monthly instalment commencing from July, 2024. Last Instalment due on June, 2027. Rate of interest 7.50% as at period end.

Vehicle Loan

Union Bank of India

Loan is repayable in 36 equated monthly instalments of ₹ 77,650/- commencing from August, 2021 and last instalment falls due on July, 2024. Rate of interest 7.40% as at period end.

Toyota Financial Services India Ltd Loan is repayable in monthly instalments of ₹ 1,08,907/- commencing from January, 2022 and last instalment falls due on December, 2026. Rate of interest 7.01% as at period end.

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 24 : Lease Liability (Non Current)	
Lease Liability	**43.59**
Total:	**43.59**
Note 25 : Provisions (Non- Current)	
Provision For Gratuity	**48.24**
Less : Plan Assets	**(37.91)**
Total:	**10.33**
Note 26 : Income Taxes	
A. The major components of income tax expense for the year as under :	
(i) Income tax recognised in the statement of Profit and Loss	
Current tax:	
Expenses for current year	**265.00**
MAT Credit availed/utilised during the year	**(133.13)**
Deferred tax:	
Deferred tax for current year	**268.99**
	400.86
(ii) **Income tax expense recognised in other comprehensive income (OCI)**	
Remeasurement Gains/(Losses) on defined benefit plans	**(2.67)**
	(2.67)
B. Reconciliation of effective tax rate :	
Profit / (Loss) before tax	**1 535.76**
Income tax calculated at 27.82% (P.Y. 27.82%)	**427.25**
Tax effect on non-deductible expenses	**0.00**
Unabsorbed Depreciation	**(185.44)**
Others (Net)	**159.05**
	400.86
Effective tax Rate (%)	**26.10**
C. Deferred Tax	
Deferred Tax Assets	
Disallowance u/s. 43(b) under income tax act, 1961	**8.00**
Unamortized Processing Fees	**2.11**
Unabsorbed depreciation	**0.00**
Lease Liability	**1.23**
MAT Credit Entitlement	**380.69**
	392.03
Deferred Tax Liabilities	
Depreciable assets	**567.75**
	567.75
Net Deferred Tax Liability / (Asset)	**(175.72)**

Movement of Deferred Tax Liabilities / (Assets) during the year

[₹ in Lacs]

Year ended 31st March 2023	Opening Balance as at 1st April, 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at 31st March, 2023
Deferred Tax (liabilities) / assets in relation to				
Property, Plant and Equipment's	(471.74)	(96.01)	0.00	(567.75)
Unabsorbed Depreciation	166.83	(166.83)	0.00	0.00
Unamortized Cost adjusted on borrowings	0.69	1.42	0.00	2.11
Provision for Employee benefit expense	15.53	(4.85)	(2.67)	8.01
Lease Liability	3.95	(2.72)	0.00	1.23
MAT Credit Entitlement	247.56	133.13	0.00	380.69
	(37.18)	**(135.86)**	**(2.67)**	**(175.71)**

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 27 : Borrowings (Current)	
Secured	
Working capital facilities from bank	**1 145.61**
Current Maturities of Long Term Borrowings *(Refer Note 23)*	**529.49**
Total:	**1 675.10**

Terms of working capital from banks

The Working Capital Loans amounting to ₹ 1145.61 lacs are secured by Hypothecation of Book Debts, Bills and Stock. Further it is secured by Factory Land and Building on plot No. 25/9/B & A Phase III GIDC Naroda, Naroda, Survey No. 221/p,222/P,229/p Ahmedabad in the name of Parent Company. Admeasuring : Plot Area (25/9/A): 3959 Sq Mts Plot Area (25/9/B) : 3631 Sq mts.. Further it is secured by personal guarantee of Directors.

Note 28 : Lease Liability (Current)	
Lease Liability	**2.34**
Total:	**2.34**

Note 29 : Trade Payables	
Current	
Due to Micro and Small Enterprise (Refer Note 54)	**90.78**
Others	**2 037.15**
Total:	**2 127.93**

Note 29.1 Trade Payable Ageing

Particulars	Outstanding for following periods from date of transaction					
	Not Due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
As at 31st March, 2023						
MSME	**0.00**	**90.78**	**0.00**	**0.00**	**0.00**	**90.78**
Others	**0.00**	**2 022.63**	**10.98**	**3.23**	**0.31**	**2 037.15**
Disputed Dues - MSME	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Disputed Dues - Others	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

[₹ in Lacs]

Particulars	As at 31 March 2023
Note 30 : Other Financial Liabilities (Current)	
Payable towards Capital Goods	**67.56**
Other Payable	**192.81**
Total:	**260.37**
Note 31 : Other Current liabilities	
Advance from Customer	**10.79**
Statutory Liabilities	**57.85**
	68.64
Note 32 : Short Term Provisions	
Gratuity	**28.04**
Total:	**28.04**
Note 33 : Current Tax Liabilities	
Provision for Tax	**456.00**
Less : Advance Tax	**202.06**
Total:	**253.94**

[₹ in Lacs]

Particulars	2022-2023
Note 34 : Revenue from Operations	
Sale of products	
Manufactured Goods	**8 165.62**
Stock-in-Trade	**3 932.33**
Other operating revenue	
Export Incentives	**0.00**
Facilitaing sale of Chlorine	**680.34**
	12 778.29
Break up of Revenue from contracts with customers	
Manufactured	
MCAA	**3 226.39**
SMCA	**1 274.06**
EDTA Tetra - Sodium	**0.00**
CAC	**3 117.52**
TCAC	**314.60**
Hydro Chlorine Acid	**1.49**
Others	**231.56**
	8 165.62
Stock in trade	
Acid Slurry	**22.51**
J Acid	**269.73**
Acetic Anhydride	**1 097.60**
Linear Alkyl Beneze	**1 266.77**
Others	**1 275.72**
	3 932.33
Break up of Other Operating revenue	
Export benefits (Net)	
Duty Drawback	**0.00**
Facilitating sale of Chlorine	**680.34**
	680.34

[₹ in Lacs]

Particulars	2022-2023
Note 35 : Other Income	
Interest income	
On Fixed deposits	**0.21**
on other deposits and investments	**24.75**
Other Interest	**5.62**
Interest and Electricity Subsidy	**0.00**
Income on investments measured at FVTPL	**44.54**
Foreign Exchange Fluctuations	**22.45**
Insurance Claim Received	**1.93**
Derecognition of lease liability	**16.42**
Profit on sale of fixed assets	**70.01**
Miscellaneous income	**0.12**
Total:	**186.05**
Note 36 : Cost of materials consumed	
Raw Materials	**3 791.53**
Freight Charges, Inward Clearing and Commission	**132.32**
	3 923.85
Note 37 : Purchases of traded goods	
Chemicals and Intermediates	**3 720.47**
	3 720.47
Note 38 : Changes in Inventories of finished goods and work in progress	
Closing Stock	
Work-in-progress	**84.96**
Finished Goods	**130.97**
Stock-in-Trade	**15.45**
	231.38
Opening Stock	
Work-in-progress	**174.35**
Finished Goods	**107.40**
Stock-in-Trade	**14.65**
	296.40
Decrease/(Increase) in Inventories	**65.02**
Note 39 : Employee benefits expense	
Salaries, wages and allowance	**677.35**
Contribution to provident and other funds	**19.31**
Staff welfare expenses	**40.06**
	736.72
Note 40 : Finance Cost	
Interest to :	
Banks	**197.92**
Unwinding interest cost on Lease Liability	**11.27**
Interest cost on Security Deposits	**5.00**
Amortisation of Processing Fees	**6.70**
Other Borrowing Cost	
Processing charges	**0.02**
Total:	**220.91**

[₹ in Lacs]

Particulars	2022-2023
Note 41 : Depreciation and Amortization	
Depreciation on Property, Plant and Equipments	**427.00**
Amortization expense on intangible assets	**0.00**
Depreciation on Right of Use Assets	**56.14**
	483.14
Note 42 : Other expenses	
Manufacturing Expenses	
Stores & Other Consumables	**212.42**
Power Fuel & Water Charges	**555.14**
Repairs and Maintenance	
Plant and Machinery	**43.65**
Building	**7.15**
Laboratory Expenses	**6.56**
Lifting charges of Chemicals	**461.34**
	1 286.26
Establishment Expenses	
Fees and Legal Expenses	**63.99**
Insurance Charges	**21.13**
Travelling Expenses	**50.54**
Rent, Rates & Taxes	**28.76**
Other Repairs	**9.73**
Auditor’s Remuneration (Refer note no. 42.1 below)	**8.50**
Preliminary Expense (Related to incorporation)	**0.27**
Bad debts	**5.32**
Vehicle Expense	**20.66**
Security Expense	**16.83**
Other Expenditure	**74.12**
Corporate Social Responsibility (Refer note no. 42.2 below)	**15.70**
Loss on sale of asset / Assets Impaired	**61.71**
Bad Advances written off	**0.00**
Less :Reversal of provision for bad advances	**0.00**
	0.00
Provision for Doubtful Debts	**0.29**
	377.70
Selling and Distribution Expenses	
Packing Material Consumed	**252.66**
Sales Commission	**38.66**
Clearing and Forwarding	**57.92**
Freight Charges	**430.23**
	779.47
Total:	**2 443.43**
42.1 Auditor’s Remuneration is made of	
Statutory and Tax Audit Fees	**8.50**

[₹ in Lacs]

Particulars		2022-2023
Note - 42.2 : Details of CSR expenditure		
(i)	amount required to be spent by the company during the year	**10.94**
(ii)	amount of expenditure incurred,	**15.70**
(iii)	shortfall at the end of the year,	**NIL**
(iv)	total of previous years shortfall,	**NIL**
(v)	reason for shortfall,	**NIL**
(vi)	nature of CSR activities,	Activities specified in Schedule VII of the Act
(vii)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	**NIL**
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	**NIL**

Note 43 : Earning per Share

Profit / (Loss) attributable to Equity shareholders (₹ in Lacs)	**1 134.90**
Number of equity shares	**2 05 20 723**
Diluted Number of equity shares	**2 05 20 723**
Basic earning per Share (₹)	**5.53**
Diluted earning per Share (₹)	**5.53**

Note: The Company has not issued equity shares during the year under review.

Note 44: Contingent Liabilities and Commitments

Particulars		As at 31st March 2023
A	**Contingent Liabilities not provided for in respect of**	
	Income Tax (Refer note(i) below)	**38.28**
	Claim against the company not acknowledged as debt (Refer note (ii) below)	**11.00**
	Custom Duty (Import under Advance Licenses Export Obligation Pending)	**23.57**
		72.85
B	**Capital Commitments and Other Commitments**	
	Estimated amount of contract remaining to the executed on capital accounts	**123.83**

(i) The Company has not recognized and acknowledged the Income Tax demand as liability in its books of accounts aggregating to ₹ 38.28 lacs in respect of earlier years since the company has disputed the demand and has filed appeals before appropriate authorities. The same are pending for final adjudication.

(ii) The company had entered in to derivatives contracts (for sale of foreign currency) with HDFC bank Limited which have already been concluded in earlier years. The company had incurred loss on such contracts against which the sum of ₹ 78.71 Lacs (including adjustment of fixed deposit amounting to ₹ 23.64 Lacs have already been paid and charged to Statement of Profit and Loss under the head “Loss on Derivative Contract”. The company had also received summons / show cause notice from Mumbai Debt Recovery Tribunal in the month of May, 2009. In response to the same, based on legal advise, the company had filed its reply with appropriate authority. Pending final outcome, the management is of the opinion that the aforesaid liability is of contingent nature and therefore the company has not recognized as liability for the balance loss of ₹ 147.07 Lacs including interest up to January, 2013. Further, In earlier years, HDFC Bank Limited had retained the sum of ₹ 25.48 Lacs out of proceeds of right issues against which the company has initiated legal actions. Pending final outcome of such legal proceedings, the company has vide its letter dated 20th May, 2021 addressed to HDFC Bank Limited, shown its willingness to pay the sum of ₹ 11.00 Lacs over and above the amount already recovered to be adjusted against the demand in order to settle the whole dispute in its totality. Although, the company has not yet received any response from the bank in this regard, the company expects an affirmative response from the bank and therefore in view of aforesaid letter, the company has disclosed the sum of ₹ 11.00 Lacs only as contingent liability as against ₹ 147.07 lacs which was hitherto disclosed as contingent liability in earlier years.

Further disclosed a sum of ₹ 25.48 Lacs as retained by HDFC Bank Limited as recoverable and classified under other financial assets till final adjustment upon receipt of response from HDFC Bank Limited.

Note 45 : Employee Benefits

Note 45.1 Defined contribution plan

The Company has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognized in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

[₹ in Lacs]

Particulars	For the year 2022-2023
Contribution to Provident Fund and Pension Scheme, included under contribution to provident and other funds	9.15
Contribution to Employee State Insurance Scheme, included under contribution to provident and other funds	0.13

Note 45.2 Defined benefit plan

(a) Gratuity

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

(b) Defined Benefit Plan

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Gratuity

Particulars	Valuation As at 31st March, 2023
Discount rate	7.49%
Expected rate(s) of salary increase	6.00%
Rate of return on plan assets	7.49%
Rate of Employee Turnover	2.00%

The following table sets out the status of the amounts recognized in the balance sheet & movements in the net defined benefit obligation as at 31st March, 2023.

[₹ in Lacs]

Particulars	For the year ended 2022-2023 Gratuity (Funded)
Changes in the present value of obligation	
1. Present value of obligation (Opening)	78.35
2. Interest cost	5.74
3. Past service cost adjustments/Prior year Charges	-
4. Current service cost	3.21
5. Curtailment Cost / (Gain)	-
6. Settlement Cost / (Gain)	-
7. Benefits paid	(0.90)
8. Actuarial (Gain) / Loss arising from change in financial assumptions	(0.72)
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	-
10. Actuarial (Gain) / Loss arising from change on account of experience changes	(9.41)
11. Present value of obligation (Closing)	76.28
Changes in the fair value of plan assets	
1. Present value of plan assets (Opening)	20.47
2. Expected return on plan assets	(0.15)
3. Interest Income	1.50
4. Actuarial Gain / (Loss)	-
5. Employers Contributions	16.10

[₹ in Lacs]

Particulars	For the year ended 2022-2023 Gratuity (Funded)
6. Employees Contributions	-
7. Benefits paid	-
8. Fair Value of Plan Assets (Closing)	**37.92**
Percentage of each category of plan assets to total fair value of plan assets at the year end	
1. Bank Deposits	-
2. Debt Instruments	-
3. Policy of Insurance	100%
4. Others	-
Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	
Present Value of funded obligation at the end of the year	
Fair Value of Plan Assets as at the end of the period	**37.92**
Amount not recognized due to asset limit	-
Deficit of funded plan	
Deficit of unfunded plan	
- Current	**28.04**
- Non current	**10.33**
Amount recognized in standalone statement of profit and loss in respect of defined benefit plan are as follows:	
Expense recognized in the Statement of Profit and Loss	
Current Service Cost	**3.21**
Past Service Cost	-
Net interest Cost	**4.24**
Net value of re-measurements on the obligation and plan assets	-
(Gains)/Loss on Settlement	-
Total Expenses recognized in the Statement of Profit and Loss #	**7.45**
#Included in 'Salary and Wages' under 'Employee benefits expense'	
Amount recorded in Other comprehensive Income (OCI)	
Re-measurements during the year due to	
Changes in financial assumptions	**(0.71)**
Changes in demographic assumptions	-
Experience adjustments	**(9.41)**
Return on plan assets excluding amounts included in interest income	**0.15**
Amount recognized in OCI during the year	**(9.97)**

(c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Gratuity

	Impact on defined benefit obligation				
Particulars	**Change in Assumption March 31, 2023**	**Increase in Assumptions March 31, 2023**		**Decrease in Assumptions March 31, 2023**	
Discount rate	1%	Decrease by	(4.04)	Increase by	4.83
Salary growth rate	1%	Increase by	1.64	Decrease by	(1.48)
Employee Turnover	1%	Increase by	3.10	Decrease by	(3.54)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(d) **Major Category of Plan Asset as a % of total Plan Assets**

Category of Assets (% Allocation)	As at March 31, 2023 %	As at March 31, 2023 ₹ in lacs
Insurer managed funds	**100%**	**37.92**
Total	**100%**	**37.92**

(e) **Risk exposure**

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investment is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation (LIC) of India under its Group Gratuity Scheme.

(f) **Defined benefit liability and employer contribution**

The Parent Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post -employment benefit plan (Gratuity) for the next year is 28.04 Lakh.

The weighted average duration of the defined benefit obligation is 8 Years.

The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

(a) **Gratuity**

[₹ In Lacs]

Particulars	As at 31st March 2023
1st following year	**41.45**
2nd following year	**1.51**
3rd following year	**1.55**
4th following year	**1.60**
5th following year	**2.10**
Sum of year 6 to 10th	**10.65**
Sum of Years 11 and above	**91.35**

Note 46: Segment Information

The operating segment of the Group is identified to be "**Manufacturing and trading of Chemicals and Organics**", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operating Segments.

However, The Group has two geographical segments "India and Rest of World", revenue from the geographic segments based on domicile of the customer are as follows:

[₹ in Lacs]

Description	India	Rest of the world	Total
Revenues			
- Year ended 31st March, 2023	**10 316.15**	**1 781.80**	**12 097.95**

Note 47:

1. Related Party Disclosures for the year ended March 31, 2023

(a) Details of Related Parties

Sr.No.	Description of Relationship	Names of Related Parties
1	Key Management Personnel (KMP)	Kandarp K. Amin Archana K. Amin Archit K. Amin Ajay P. Patel (w.e.f 10th October, 2022) Gajendra Rajput (upto 10th October, 2022) Vijay Boliya
2	Relatives of KMP	Suchit K Amin Shimoli A. Amin Manini S. Amin
3	Enterprise over which KMP / Relatives of KMP exercise significant influence through controlling interest (Other Related Party)	Krishna Orgochem Adonis Lifecare Private Limited Archit Advance Materials Kalindi Impex S.D. Agro Organosys Kalindi Industries

(b) Details of transactions with related parties for the year ended March 31, 2023 in the ordinary course of business:

[₹ In Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives of KMP	Enterprise over which KMP and Relatives have significant influence	Total
1	**Remuneration**			
	Archanaben K. Amin	72.00	-	72.00
	Kandarp K. Amin	78.00	-	78.00
	Archit K. Amin	57.00	-	57.00
	Ajay P. Patel	2.64	--	2.64
	Vijay Boliya	2.58	--	2.58
	Gajendra Rajput	1.29	--	1.29
2	**Loan taken during the year**			
	Archanaben K. Amin	225.00	—	225.00
	Adonis Lifecare Pvt Ltd	--	85.00	85.00
3	**Security Deposit received on closure of lease**			
	Archanaben K. Amin	43.80	—	43.80
	Shimoli A. Amin	12.64	—	12.64
	Manini S. Amin	7.68	—	7.68
4	**Loan Repaid**			
	Archana K. Amin	225.00	--	225.00
	Adonis Lifecare Pvt Ltd	--	88.22	88.22
5	**Salary**			
	Suchit K. Amin	29.40	--	29.40
	Shimoli A. Amin	27.60	--	27.60
	Manini S. Amin	27.60	--	27.60
6	**Rent paid**			
	Archanaben K. Amin	36.48	--	36.48
	Kandarp K. Amin	6.00	--	6.00
	Shimoli A. Amin	11.58	--	11.58
	Manini S. Amin	7.04	--	7.04

[₹ In Lacs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives of KMP	Enterprise over which KMP and Relatives have significant influence	Total
7	**Purchase**			
	Krishna Orgochem	--	308.21	308.21
	Archit Advance Materials	--	418.25	418.25
	Kalindi Impex	--	341.65	341.65
	S.D. Agro Organosys	--	25.93	25.93
8	**Purchase of Building**			
	Archana K. Amin	294.45	--	294.45
	Shimoli K.Amin	99.45	--	99.45
	Manini S. Amin	60.44	--	60.44
9	**Interest Expense**			
	Adonis Lifecare Pvt Ltd	--	3.20	3.20

c) Amount due to / from related parties as at March 31, 2023

1	**Security Deposit for lease**			
	Kandarp K. Amin	17.91	--	17.91
2	**Trade Payable**			
	Archit Advance Material	--	11.48	11.48

Note 48: Leases

The Company has lease contracts for Land and Building. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability.

The Company has also entered into various Lease Arrangements for “Land” for the purpose of factory building, which are “Non-cancellable” and thus, creates enforceable rights. The Company applied the standard on such Lease Arrangements and recognised the “Right of Use”. Further, the Company, having already paid the upfront Lease rentals / premium at the time of execution of Lease Deed which accounted for almost all the lease payments, does not owe any lease obligations under such lease arrangement and accordingly “Lease obligations” corresponding to “Right of Use” asset are not recognised.

In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively

The Company also applied the available practical expedients wherein it:

- Applied single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the Date of initial application
- Applied the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application

(i) Amounts recognised in the Balance sheet and statement of profit and loss:

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements for the financial year 31st March, 2023:

[₹ in Lacs]

Particulars	Right of Use Asset
As at April 01, 2022	216.06
Additions / (Deduction)	(72.98)
Depreciation on Right of Use Asset	(56.14)
As at March 31, 2023	86.94

[₹ in Lacs]

Particulars	Lease Liabilities
As at April 01, 2022	184.80
Additions / (Deduction)	(85.40)
Interest Expenses	11.27
Payments	(64.75)
As at March 31, 2023	45.92

Set out below, are the amounts recognised in Statement of profit and loss:

[₹ in Lacs]

Particulars	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	56.14
Interest expense on lease liabilities	11.27
Interest cost on security deposits	5.00
Rent expense - short-term leases and leases of low value assets	26.73
Derecognition of Lease Liabiity	(16.42)
Interest Income on security deposit	(4.94)
Total amounts recognised in (profit) or loss	77.78

Note 49 : Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

[₹ In Lacs]

Particulars	**As at 31st March 2023**
Equity share capital	**2 052.07**
Other equity	4 125.48
Total equity	6 177.55
Non-current borrowings	1 419.84
Short term borrowings	1 675.10
Total loans and borrowings	3 094.94
Cash and cash equivalents	512.05
Net Debt	2 582.37
Net debt to equity	41.80%

Note 50 : Fair value measurements

A. Financial instruments by category

[₹ in lacs]

Particulars	March 31, 2023		
	Amortized cost	FVTPL	FVTOCI
Financial Assets			
Investments	--	364.54	--
Trade receivables	3 735.62	--	--
Cash and cash equivalents	512.57	--	--
Other bank balances	--	--	--
Loans	**9.32**	--	--
Others financial assets	68.25	--	--
Total Financial Assets	4 325.76	364.54	--
Financial Liabilities			
Borrowings	3 094.94	--	--
Lease Liability	45.93	--	--
Trade payables	2 127.93	--	--
Other financial liabilities	260.37	--	--
Total Financial Liabilities	5 529.17	--	**--**

B. Fair value hierarchy for assets / (liabilities)
Financial assets / (liabilities) measured at fair value at 31st March, 2023

[₹ in lacs]

	Level 1	Level 2	Level 3	Total
Financial Assets / (liabilities)				
Investment in alternative investment fund	**364.54**	—	—	**364.54**

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

(i) The use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

D. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets , borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 51 : Financial risk management

The parent Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Group's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to re?ect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds	Credit ratings	Portfolio diversification and regular monitoring

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Credit Risk Management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at 31 March 2023, as summarized below:

[₹ In Lacs]

Particulars	As at 31st March, 2023
Loans	**9.32**
Other financial assets	**68.25**
Cash and cash equivalents	**512.57**
Trade receivables	**3 735.62**
	4 325.76

Trade and other receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

For trade receivables, provision is provided by the company as per the below mentioned policy:

[₹ in lacs]

Particulars	Gross carrying amount	Expected credit losses rate (%)	Expected credit losses	Carrying amount of trade receivable
As at March 31, 2023				
Considered Good				
Not due	116.60	0.0%	--	116.60
0 – 1 year	3 446.03	0.1%	3.45	3 442.58
More than 1 year	185.72	5.0%	9.28	176.44
Total	3 748.35		12.73	3 735.62
Considered Doubtful	92.09	100%	92.09	--
Total :	3 840.44	--	104.82	3 735.62

Reconciliation of loss allowance provision

As at 31st March, 2023

Trade receivables

Particulars	(₹ in Lacs)
Loss allowance as on 31st March, 2022	(112.70)
Changes in loss allowance (net)	(7.88)
Loss allowance as on 31st March, 2023	(104.82)

Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The parent Company's treasury maintains ?exibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The working capital position of the Group is given below:

[₹ in lacs]

Particulars	31st March, 2023
Cash and cash equivalents	512.57

Liquidity Table

The Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2023

[₹ in Lacs]

Financial Liabilities	**Payable within 0 to 12 Months**	**More Than 12 Months**	**Total**
Non-current financial liabilities			
Borrowings	—	1 419.84	1 419.84
Lease Liability	--	43.59	43.59
	--	1 463.43	1 463.43
Other Financial Liability			
Borrowings from Banks	1 675.10	--	1 675.10
Lease Laibilty	2.34	--	2.34
Trade payables	2 127.93	--	2 127.93
Other Financial Liability	260.37	--	260.37
	4 065.74	--	4 065.74
Total financial liabilities	4 065.74	1463.43	5 529.17

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i) Currency Risk

The Group is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of US$, and Euro. The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are given below:

	As at March 31, 2023	
Particulars	Amount Foreign Currency	Amount in Indian Currency
Financial Assets		
Trade receivables		
Unhedged	USD 1.70	139.51
Hedged	-	-
Total	USD 1.70	139.51
Financial liabilities		
Trade payable		
Unhedged	-	-
Hedged	-	-
Total	-	-

Sensitivity Analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

[₹ in lacs]

Particulars	Profit or Loss March 31, 2023	
	Strengthening	Weakening
USD sensitivity		
USD (Increase/decrease by 1%, March 31, 201-1%)	1.40	(1.40)
Total	1.40	(1.40)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

The exposures of the Group's financial assets / liabilities at the end of the reporting period are as follows:

[₹ In Lacs]

Particulars	As at 31st March 2023
Fixed rate borrowings	123.62
Floating rate borrowings	2 971.32
Total borrowings	3 094.94

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

[₹ in Lacs]

Particulars	Year ended March 31, 2023
Interest sensitivity*	
Interest rates – increase by 50 basis points (50 bps)	14.86
Interest rates – decrease by 50 basis points (50 bps)	(14.86)

** Holding all other variables constant*

(iii) Price Risk

Exposure

The Group's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

Note 52:

Additional Information as required under Schedule III to the Companies Act, 2013, of Enterprises consolidated as Subsidiary

Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit/(Loss)	
	As % of Consolidated Net Assets	[Amount in ₹ Lakhs]	As % of Consolidated profit or loss	[Amount in ₹ Lakhs]
Parent				
Archit Organosys Limited	94.48%	5 836.60	100.13%	1 136.40
Subsidiaries				
Archit Life Science Limited	5.52%	340.95	(0.13%)	(1.50)
Total:	100.00%	6 177.55	100.00%	1 134.90

Note 53:

Statement containing salient features of the financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures

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

Part "A": Subsidiaries

Name of Subsidiary	Share Capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	% of Share holding
Archit Life Science Limited	10.00	(1.50)	350.89	342.39	—	—	(1.50)	—	(1.50)	100.00%

Note 54: Other Regulatory Information

(As per Para 12.1 of Guidance Note on Schedule III Division II to the Companies Act, 2013 issued by The Institute of Chartered Accountants of India, exemption in respect to certain below requirements with regards to Additional Regulatory Information is not required to be given:

1. Title deed of immovable property
2. Registration of charges or satisfaction with Registrar of Companies (ROC)
3. Analytical Ratios

   Accordingly, the aforesaid requirement are not disclosed below.

   (a) Fair Value of Investment Property

   The Group does not own any immovable property which is classified as Investment property as at the end of the year.

   (b) Revaluation of Property, Plant and Equipment (including Right-of-Use Assets) and Intangible Assets

   The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.

   (c) The Group has not granted any loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

   (d) Details of Benami Property held

   The Group does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

(e) Borrowings obtained on the basis of security of current assets

The Group has been sanctioned working capital limits from banks on the basis of security of current assets. The quarterly returns / statements filed by the Company with such banks are materially in agreement with the books of accounts.

(f) Wilful Defaulter

The Group has not been declared Wilful Defaulter by any bank or financial institution or any other lender.

(g) Relationship with Struck off Companies

The Group does not have any transactions with struck off companies.

(h) Compliance with number of layers of companies

The Group is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(i) Utilization of Borrowed funds and share premium:

(a) During the year, no funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the Group to any other persons or entities, including foreign entities with the understanding whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) During the year, the Group has not received any fund from any persons or entities, including foreign entities (Funding Parties) with the understanding whether recorded in writing or otherwise that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(j) Approved scheme of arrangements

The Group has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(k) Undisclosed Income

The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(l) Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(m) Corporate Social Responsibility

The Company falls under the provisions of Section 135 of the Companies Act, 2013 and accordingly is required to spend amount for CSR. Refer note 42(b).

Note 55: Code on Social Security, 2020

The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

Note 56 :

(a) Due to Micro, Small and Medium Enterprise

[₹ in Lacs]

Sr. No.	Particulars	2022-2023
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	**90.78**
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**NIL**
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	**NIL**
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**NIL**
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	**NIL**

The parent company has received confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

Note 57 :

The group has circulated letters of Balance Confirmation to Sundry Debtors, Sundry Creditors and the parties to whom loans and advances have been granted. Confirmations were received in some cases.

Note 58: Statement of Management

(a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.

(b) Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated cash flow statement and Consolidated change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Group as at the end of the year and financial performance of the Group for the year under review.

Note 59:

These consolidated financial statements being the first year of consolidation, the reporting for corresponding previous year's figures is not applicable. Figures are rounded off to nearest lacs.

As per our report of even date
FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 12th May, 2023

For and on behalf of Board of Directors of
ARCHIT ORGANOSYS LIMITED

Kandarp K Amin
Whole Time Director
DIN: 00038972

Archana K Amin
Whole Time Director
DIN: 00038985

Ajay P. Patel
Chief Financial Officer

Vijay Boliya
Company Secretary

Place : Ahmedabad
Date : 12th May, 2023

ARCHIT ORGANOSYS LIMITED
CIN: L24110GJ1993PLC019941

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